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ABSTRACT

This publication compares the borrowing patterns of undergraduate students surveyed in the National Postsecondary Student Aid Studies of 1989-90, 1992-93, and 1995-96 who received federal Family Education (Stafford) or Supplemental Loans for Students, based on data from the National Student Loan Data System. The primary purpose of the study was to examine the effects of changes in federal student loan programs resulting from the reauthorization of the Higher Education Act (1992), which increased both the number of students who qualified for loans and the amounts they could borrow. Following an introduction that reviews the background of federal student loans and student loan supply and demand, the report discusses trends in: subsidized and unsubsidized loans; borrowing trends by type of institution; and tuition and borrowing at 4-year public and private non-profit institutions. The report notes that the change in borrowing rates for all undergraduates between 1992-93 and 1995-96 was primarily due to increased borrowing by dependent students; for independent students, total percentage of borrowing did not change, but the percentage of borrowing unsubsidized loans increased substantially. The report also notes that the relationship between tuition levels and borrowing within institutions does not vary directly with tuition levels. Appended are supplemental data tables, a glossary, and technical notes. (SM)

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Trends in Undergraduate Borrowing: Federal Student Loans in 1989–90, 1992–93, and 1995–96

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Statistical Analysis Report March 2000

Postsecondary Education Descriptive Analysis Reports

Trends in Undergraduate Borrowing: Federal Student Loans in 1989–90, 1992–93, and 1995–96

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Office of Educational Research and Improvement NCES 2000–151

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Executive Summary

Between the academic years 1989–90 and 1995–96, the total dollar volume in federal student loans doubled, increasing from about $13 billion to about $28 billion.[1] Nearly 90 percent of these funds were received by students as federal Stafford loans or Supplemental Loans to Students (SLS).[2] SLS loans were replaced by unsubsidized Stafford loans in 1993–94. Stafford and SLS were closely related programs and are treated together in this report.

The total amount borrowed by *undergraduates* through the Stafford/SLS programs increased by about $2 billion between 1989–90 and 1992–93, from approximately $8 billion to $10 billion. Three years later, in 1995–96, the total undergraduate Stafford loan volume had increased by $7 billion, to approximately $17 billion.[3] The larger increases in loan volume during the second period came after the 1992 Reauthorization of the Higher Education Act, in which Congress made substantial changes in the federal financial aid need analysis and the structure of the federal student loan programs.

There are two broad categories of federal student loans, subsidized and unsubsidized. For ***subsidized*** loans students are not charged interest while they are enrolled. In order to qualify for an interest-free subsidized loan, students must demonstrate financial *need*. For ***un***subsidized loans the federal government does not pay any of the interest for the students, who may obtain them to pay for educational expenses without demonstrating need. Depending on the circumstances, students may obtain either subsidized or unsubsidized loans, or a combination of both. In determining the need for financial aid, students are considered either *dependent* on their parents for support, or *independent* and self-supporting. The federal student loans have *limits* on the maximum amounts that students may borrow. These limits vary by dependency, class level, and the type of loan. In general, independent students may borrow larger amounts than dependent students by combining subsidized and unsubsidized loans.

Some of the major changes in the Reauthorization of 1992 that affected the eligibility of undergraduates for federal loans, and the amounts that they could borrow, were the following:

- The loan limits on subsidized Stafford loans were increased (except for first-year students).
- Changes were made in federal need analysis (such as eliminating the consideration of home equity) that generally made it easier for dependent students to qualify for subsidized Stafford loans.
- For some independent students, changes in need analysis reduced eligibility for

[1]The College Board, *Trends in Student Aid 1998* (Washington, D.C.: 1998). These totals include all federal loan programs and both graduate and undergraduate borrowers.

[2]Calculated from data in *Trends in Student Aid*. The other smaller federal student loan programs are PLUS loans for parents, Perkins loans, and loans to students in the health professions.

[3]These estimates for undergraduates are based on unpublished data from the National Student Loan Data System. Approximately one-fourth of the Stafford/SLS loan amounts were received by graduate and first-professional students.

federal Pell grants,[4] but increased their eligibility for subsidized loans.

- Unsubsidized loans were made generally available to dependent students for the first time.

- The separate SLS program of unsubsidized loans for independent students was phased out and replaced by unsubsidized loans for all students through the Stafford program.

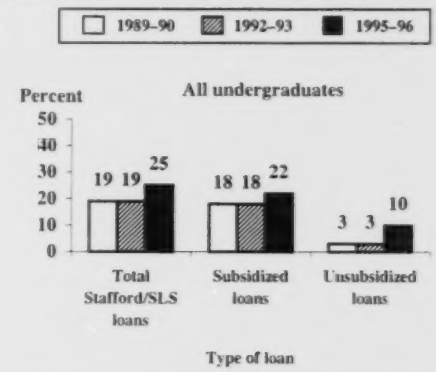
- Dependent and independent students could borrow either subsidized, unsubsidized, or a combination of both types of Stafford loans. The maximum amounts of the combined loans for independent students were about double the amounts available to dependent students, however.

Most of these changes, directly or indirectly, allowed more undergraduates to borrow, and to borrow larger amounts, beginning in 1993–94. In economic terms, there was a substantial increase in the supply of federal loan funds. This report analyzes the effect of the 1992 Reauthorization by comparing undergraduate borrowing patterns in two three-year periods: from 1989–90 to 1992–93, before the changes; and between 1992–93 and 1995–96, when the changes to the programs were implemented.

Changes in Borrowing: Key Findings

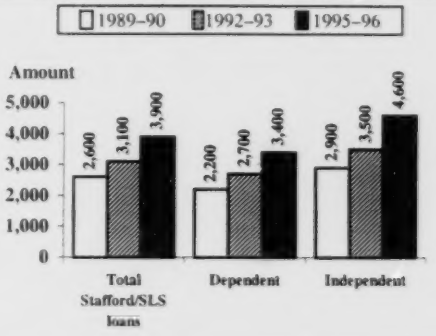
In 1989–90, about one-fifth (19 percent) of all undergraduates received Stafford/SLS loans and this percentage had not changed in 1992–93 (figure A). However, during the same time period, students borrowed more, and the average loan amount increased (in current dollars) by $500 from $2,600 to $3,100 (figure B). Three years later, when the new loan program rules were

Figure A—Percentage of all undergraduates receiving subsidized, unsubsidized, and any Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Figure B—Average subsidized, unsubsidized, and total Stafford Loans or Supplemental Loans to Students (SLS) received by undergraduates in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

[4]The Pell grant program provides grant aid to undergraduates attending postsecondary institutions.

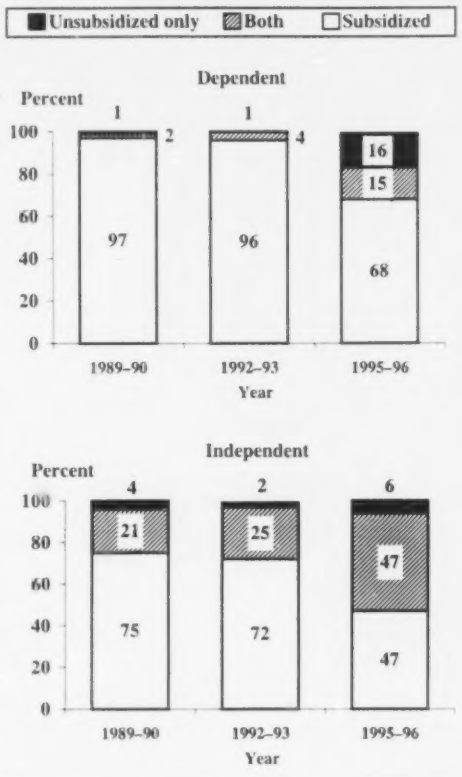
in effect, both the percentage of students borrowing (25 percent) *and* the average loan amounts had increased.

Dependent Borrowers

Between 1992–93 and 1995–96, borrowing rates increased substantially among dependent students, rising from 20 to 29 percent. When unsubsidized loans were generally available to dependent students in 1995–96, 9 percent of all dependent students obtained them. In 1995–96, about one-third of the dependent borrowers had unsubsidized loans, either alone (16 percent) or combined with a subsidized loan (15 percent) (figure C). The proportion of dependent student borrowers with unsubsidized loans increased at higher family income levels. Among the borrowers in the highest income quartile (over $70,000), two-thirds received unsubsidized loans, compared with just 13 percent of the borrowers in the lowest income quartile (under $25,000). One-half of the borrowers in the highest income quartile received only unsubsidized loans, which means that they did not qualify for the need-based loans.

The changes in the loan programs and federal need analysis allowed for increased participation in the Stafford loan program by dependent students at the middle and higher income levels. Between 1989–90 and 1992–93, before the changes in the loan programs, borrowing rates had increased only in the lowest income quartile (figure D). After the changes, there was no further increase in the lowest income quartile, but there were higher borrowing rates of subsidized loans in the second income quartile, of both subsidized and unsubsidized loans in the third income quartile, and of unsubsidized loans in the highest income quartile.

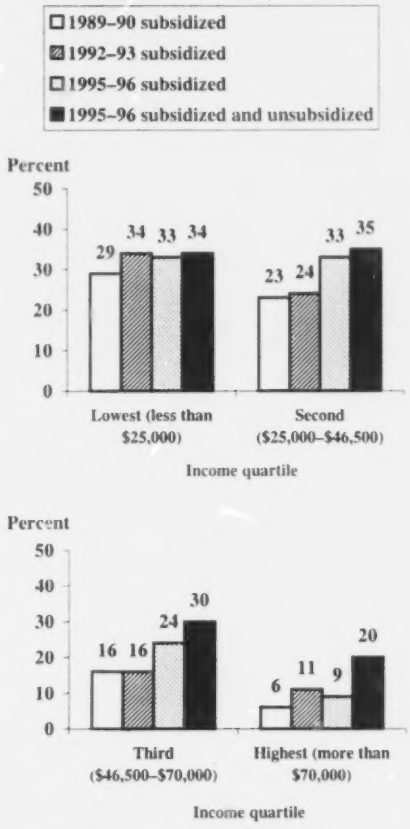
Figure C—Percentage distribution of undergraduate Stafford/Supplemental Loans to Students (SLS) recipients with subsidized, unsubsidized, or a combination of both loans, by dependency in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

The average loan received by dependent students increased by $500 (from $2,200 to $2,700) from 1989–90 to 1992–93, before the loan limits were raised. In that period, the percentage of dependent borrowers with the maximum loan amounts increased from one-third to one-half. Between 1992–93 and 1995–96, when the loan limits were higher and those who did not qualify for the maximum subsidized loan could

Figure D—Percentage of all dependent undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by family income quartiles in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

supplement it with an unsubsidized loan, the average total loan increased again by $700 to $3,400. The percentage borrowing the maximum amount rose to nearly 60 percent.

Independent Borrowers

Although unsubsidized loans had been generally available to independent students in 1992–93, the percentage obtaining them doubled in 1995–96 (from 5 percent to 11 percent). In the earlier years, about one-fourth of the independent student borrowers had unsubsidized loans, usually in combination with subsidized loans. In 1995–96, this proportion had doubled, and one-half of the independent student borrowers now had unsubsidized loans (figure C). Independent borrowers in the highest income quartile (over $35,000) were the most likely to take out unsubsidized loans, either alone (27 percent) or in combination with a subsidized loan (44 percent). However, about one-half of the borrowers in the other three income quartiles also obtained unsubsidized loans, usually in combination with subsidized loans.

Because independent students could receive a combination of subsidized and unsubsidized loans with higher limits, their average loan amounts were higher than those of dependent students in all three years (figure B). However, independent students did not typically borrow as much as the loan limits. About one-half of the independent students borrowed the maximum subsidized amounts (which were interest-free while enrolled) in all three years. The percentage who borrowed the maximum combined total (up to $8,000 before 1993, then up to $10,500) was much lower, but it did increase from just 3 percent in 1989–90 to 13 percent in 1995–96.

The large increase in the proportion of independent student borrowers who took out unsubsidized loans in addition to subsidized loans (from about one-fourth in 1992–93 to about one-half in 1995–96) may be related in part to the organizational changes in the Stafford loan program. Unsubsidized loans were available to independent students in 1992–93 and earlier through the SLS

program, but required filing a separate application in addition to the application for a subsidized Stafford loan. When unsubsidized loans became available through the same Stafford loan program, they were processed as part of the same application used for subsidized loans, and applicants were notified of the amount of unsubsidized loans for which they qualified.

Borrowing at Different Types of Institutions

In any particular year, borrowing rates reflected differences in the average tuition levels at public 2-year, public 4-year institutions, and private, not-for-profit 4-year institutions. Students were least likely to borrow at relatively low-tuition community colleges, more likely to borrow at public 4-year institutions where average tuition is about three times higher, and even more likely to borrow at private, not-for-profit 4-year institutions where average tuition is about three times higher than at public 4-year institutions. The highest borrowing rates in all three years were among students at private, for-profit institutions, which charged relatively high tuition and also enrolled large proportions of low-income students attending full-time.

The percentage of all undergraduates with Stafford/SLS loans at public 2-year institutions remained low (6 percent or less) in all three years, although there was an increase in the percentage of full-time, full-year students obtaining loans (from 9 percent in 1989–90 to 14 percent in 1995–96). At the private, for-profit institutions the borrowing rates dropped between 1989–90 and 1992–93, but remained higher than all other sectors (about 50 percent of all students borrowed). As a result of regulatory changes which restricted participation in the Stafford loan program of institutions with high default rates, the proportion of students attending private, for-profit institutions dropped from 29 percent of all borrowers in 1989–90 to 12 percent in 1995–96.

At the 4-year colleges and universities there was a large growth in the percentage of all undergraduates borrowing between 1992–93 and 1995–96, both at the public institutions (from 23 percent to 35 percent) and at the private, not-for-profit institutions (from 33 percent to 43 percent). In 1995–96, about 70 percent of all undergraduates receiving Stafford loans were attending 4-year institutions (45 percent at public, and 26 percent at private, not-for-profit institutions).

Tuition and Borrowing at 4-Year Institutions

At the public 4-year institutions, the average tuition for full-time, full-year undergraduates increased by $800 between 1989–90 and 1992–93 (from $2,200 to $3,000), and by another $800 in 1995–96 (to $3,800). The change in the percentage of full-time, full-year dependent students with Stafford/SLS loans was 6 percentage points in the first period (from 18 to 24 percent), and then 15 percentage points in the second period (from 24 to 39 percent). The average loan increased by $600 in the first period (from $2,100 to $2,700), and then by $1,000 in the second period (from $2,700 to $3,700). The increases in tuition were the same in both periods, but the increases in borrowing were much greater in the second period. Borrowing increases and tuition increases were not proportional, in part because there were more restrictions on participation in the loan programs during the first period than during the second one.

Over the six-year period, the borrowing rates of full-time, full-year undergraduates at public 4-year institutions did not vary directly with tuition levels (figure E). The percentage of students borrowing

was about the same at all levels of tuition in each of the three years. Borrowing rates of students increased to similar levels no matter what the level of tuition was.

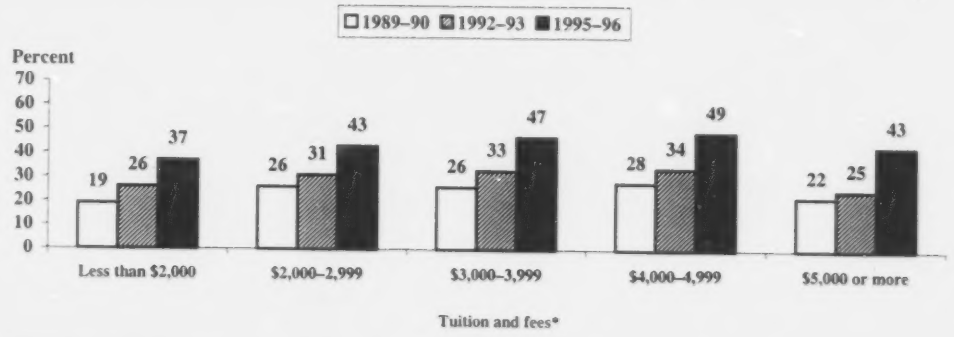
A similar pattern is found among full-time, full-year undergraduates at private, not-for-profit 4-year institutions. Average tuition was $8,900, $11,100, and $12,600 in the three years, respectively. While the tuition increase was greater during the first period than the second, borrowing rates and average loan amounts were greater in the second period. There was also no direct relationship between borrowing rates and the level of tuition within each academic year. With some exceptions, borrowing rates increased to similar levels whether tuition was relatively low or relatively high.

The annual increases in the size of loans resulted in much higher total cumulative amounts for college seniors at both types of 4-year institutions. Between 1992–93 and 1995–96, the cumulative loan amount for fourth and fifth-year undergraduates at public 4-year institutions grew from $7,000 to $11,000. At private, not-for-profit 4-year institutions, the cumulative loan amount for seniors grew from $9,000 in 1992–93 to $13,100 in 1995–96.

Summary

The changes in the loan programs and federal need analysis resulting from the Reauthorization of 1992 allowed for an increased participation of middle- and higher-income dependent students in the Stafford loan program, and to borrow larger amounts. Undergraduates who were independent students took out larger loans, primarily because of a large increase in the proportion of borrowers who obtained unsubsidized loans in addition to their subsidized ones. The increase in unsubsidized loans to independent students was facilitated when the separate SLS program was replaced by unsubsidized loans available through the Stafford program in the same loan application process.

Figure E—Percentage of full-time, full-year undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by tuition and fees charged in 1989–90, 1992–93, and 1995–96: Public 4-year institutions



*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

The level of student borrowing at the different types of institutions was directly related to the average level of tuition (with the exception of the private, for-profit institutions). However, the relationship between tuition levels and borrowing within types of institutions was not as direct as these general patterns suggest. Within both public and private, not-for-profit 4-year institutions, the borrowing rates of full-time, full-year undergraduates did not vary directly with tuition levels. In fact, over the six-year period, with a few exceptions, borrowing rates increased to similar levels over time at nearly all tuition levels.

Foreword

This study compares the borrowing patterns of undergraduates surveyed in the National Postsecondary Student Aid Studies of 1989–90, 1992–93, and 1995–96 (NPSAS:90, NPSAS:93, and NPSAS:96) who received federal Stafford or Supplemental Loans to Students (SLS) loans. It is based on federal student loan data from the National Student Loan Data System (NSLDS), which has been used to supplement the NPSAS survey data of student financial aid, background characteristics, and enrollment patterns. The primary purpose of the study is to examine the effects of the changes in federal student loan programs resulting from the 1992 Reauthorization of the Higher Education Act, which increased both the number of students who qualified for loans and the amounts that they could borrow. In addition, the supplemental tables in this report provide a descriptive overview of the augmented and revised federal student loan data now available in the NPSAS:90 and NPSAS:93 data sets.

Unless otherwise specified, all reported estimates and percentages were produced using the NPSAS:90, NPSAS:93, and NPSAS:96 Data Analysis Systems (DAS). The DAS is a Windows™-based application that allows users to specify and generate their own tables from the NPSAS data, and is available for public use through the NCES website. The DAS produces standard errors that are adjusted to take into account the complex sampling design of the NPSAS surveys. These standard errors were used to test the statistical significance of all reported differences in estimates. Additional information about the DAS may be found in appendix C of this report and on the NCES website at http://nces.ed.gov/das.

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Introduction

One of the most notable trends in student financial aid during the 1990s was the rise in the dollar volume of federal student loans, which doubled from about $13 billion in 1989–90 to about $28 billion in 1995–96, and was estimated to be about $34 billion in 1997–98.[1] Nearly 90 percent of these funds were received by students as Stafford or SLS (Supplemental Loans to Students) loans, which is the focus of this report.[2] This introduction will describe some of the general characteristics of the Stafford and SLS loans and the federal programs under which they were and are currently administered. It also discusses the concept of student loan demand and supply which is used as a conceptual framework for the analysis.

Background on Federal Student Loans

Subsidized and Unsubsidized Loans

There are two broad categories of federal student loans, subsidized and unsubsidized. The difference between the two concerns whether borrowers are charged interest on the loans while they are still enrolled as students. For ***subsidized*** loans students are not charged interest while they are enrolled. The federal government subsidizes the cost of the loans by paying the interest as long as they are students. For ***un***subsidized loans the federal government does not pay any of the interest for the students. Interest charges begin to accrue as soon as they are enrolled, and the accrued interest is added to the principal of the loan as long as they are students. When the repayment period begins after the student has left school, the amount owed on a loan that is subsidized will be the same as the principal borrowed; the amount owed on a loan that is unsubsidized will be the original principal amount plus the accrued interest. For example, a college senior who borrowed $2,500 a year for 4 years in subsidized loans would owe $10,000 upon graduation. If the loans were not subsidized and accruing interest at about 7 percent annually, the senior would owe nearly $12,000.

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[1]The College Board, *Trends in Student Aid 1998* (Washington, D.C.: 1998). These totals include all federal loan programs and both graduate and undergraduate borrowers.

[2]Calculated from data in *Trends in Student Aid 1998*. The other smaller federal student loan programs are PLUS loans for parents, Perkins loans, and loans to students in the health professions.

In order to qualify for subsidized loans, students must demonstrate financial ***need***. Federal need analysis will be discussed in more detail below. In general, low-income students have a greater need for financial aid than higher income students do, and those at higher tuition institutions have a greater need then those attending lower tuition institutions. Unsubsidized loans, on the other hand, may be obtained without demonstrating financial need. Depending on their need and total educational expenses, students may qualify either for subsidized or for unsubsidized loans, or for a combination of the two.

Dependent and Independent Students

In evaluating the need for financial aid, students are categorized as either dependent or independent. Most undergraduates under age 24 are assumed to be ***dependent*** on their parents and supported by them while enrolled. Those undergraduates who are 24 or older and all others who are married, have children of their own, are veterans or orphans, or can demonstrate to the satisfaction of financial aid administrators that they are self-supporting are assumed to be ***independent*** of their parents for financial support. For dependent students, the income of the parents is a major consideration in determining the need for financial aid; for independent students, only the income of the student (and spouse) is considered.

Federal loans have annual ***limits***, meaning there is a maximum amount that may be borrowed by students in a given academic year. There are different limits for subsidized and for unsubsidized loans, and the combination of the two. Independent students have been allowed to borrow approximately twice as much as dependent students by combining subsidized and unsubsidized loans. The rationale for this provision is that additional loan funds are available to dependent students through their parents, while independent students are not expected to be able to rely on their parents for additional financial assistance.

Stafford/SLS Loans Before and After the Reauthorization of 1992

Congress revises the provisions for the federal financial aid programs every five or six years by amending the Higher Education Act, which is known as Reauthorization. Changes in the programs resulting from a Reauthorization are usually fully implemented in the following academic year.[3]

[3]Various provisions go into effect at different times and do not correspond to the full academic years. Many of the changes in the loan programs actually go into effect on October 1 of the year of the Reauthorization, which is the beginning of the federal fiscal year. However, more than three-fourths of the student loans for a given academic year are processed before October, so that the full effect of the changes is not evident until the following academic year.

The Reauthorization of 1986 established the provisions for the federal student loan programs that were in effect during the six academic years from 1987–88 to 1992–93. During this period the major federal student loan program consisted of ***guaranteed*** student loans called Stafford loans. Banks and other lenders provided the funds for Stafford loans, but they were guaranteed against default by the federal government through state and national guaranty agencies. Between 1987 and 1993 all Stafford loans were subsidized and available to both dependent and independent students on the basis of need. Unsubsidized loans were also available through a separate federal guaranteed student loan program called Supplemental Loans for Students (SLS). SLS loans were primarily intended to allow independent students to supplement the Stafford loan amounts, although some dependent undergraduates with exceptional need could also qualify.[4] In this report the two programs will be treated together and referred to as Stafford/SLS loans.

The Reauthorization of 1992 and additional legislation in the following year made substantial changes in the structure of the federal Stafford/SLS loan programs, generally beginning with the 1993–94 academic year.[5] The separate SLS program was phased out and replaced by unsubsidized Stafford loans, which were made generally available to dependent as well as independent students. Loan limits were also increased for most students. The existing system of guaranteed loans funded by lenders was continued, but renamed the Federal Family Education Loan Program (FFELP). In addition, the William D. Ford Direct Loan Program was established as an alternative system of processing Stafford loans. Instead of using lenders and guaranty agencies as intermediaries, the institutions participating in this program were able to process Stafford loans entirely on campus with funds provided directly from the federal government through the Department of Education.

The names of the federal student loan programs and some of their features before and after 1993 are outlined in Table 1. Although the FFELP and Ford Direct loan programs offer alternative ways to supply funds and to deliver loans to students, there are no major differences in the terms and conditions of the Stafford loans that both provide. The names of the loans and programs after 1993 were retained in the 1998 Reauthorization of the Higher Education Act, which did not make any major changes to the structure of the programs, the eligibility requirements, or the loan limits.

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[4]Dependent undergraduates whose parents applied, but were rejected, for federal parent PLUS loans (which require meeting creditworthiness criteria) were able to qualify for SLS loans. This provision was continued after 1993 and is still in effect, allowing some dependent students to obtain unsubsidized Stafford loans at the independent student maximum amounts.

[5]Unsubsidized Stafford loans were available through the FFELP program after October 1992. The SLS loan program continued through 1993–94. The Ford Direct Loan program actually began disbursing loans in 1994–95.

Table 1—Federal Stafford Loans and Supplemental Loans to Students (SLS) program characteristics, 1987–93 and 1993–1999

Academic years	Name of loans	Eligible students	Student loan program	Source of funds/ loan processing
1987–88 to 1992–93	Stafford loans (subsidized)	Dependent and independent students	Guaranteed Student Loan Program	Banks, other lenders/ guaranty agencies
	SLS loans (unsubsidized)	Primarily independent students	Supplemental Loans to Students	Banks, other lenders/ guaranty agencies
1993–94 to 1998–99 (and after)	Subsidized Stafford loans	Dependent and independent students	Federal Family Education Loan Program (FFELP)	Banks, other lenders/ guaranty agencies
			William D. Ford Direct Loan Program	U.S. Department of Education
	Unsubsidized Stafford loans	Dependent and independent students	Federal Family Education Loan Program (FFELP)	Banks, other lenders/ guaranty agencies
			William D. Ford Direct Loan Program	U.S. Department of Education

SOURCE: U.S. Department of Education, *The Student Guide to Financial Aid*, annual.

Student Loan Demand and Supply

Student borrowing patterns may be understood in terms of the basic principles of demand and supply. The demand for loans by students is related to such factors as the levels of tuition and other educational expenses, the student's family income, and the availability of grants and other types of financial aid. In general, it is to be expected that the demand for student loans will be high when tuition levels are high, family incomes are low, and alternative sources of financial aid are limited. Increases in student borrowing may be attributed to broad trends that have raised the demand for student loans, especially by comparing average tuition levels with changes in median family incomes and the amount of grant aid received by students. For example, when measured in constant dollars, during the last decade median family income has remained stable and the average federal and state grant amounts have decreased slightly. By contrast, during the same 10 years, undergraduate college tuition levels have increased by 40 to 50 percent.[6] These trends support a demand-side explanation for the increase in federal student loans: tuition has increased

[6]The College Board, *Trends in Student Aid 1998* (Washington, D.C., 1998).

faster than both incomes and grants, so more students have taken out loans and borrowed larger amounts to help cover their expenses.[7]

The factors related to the student demand for loans (tuition, income, and grants) will be examined below. Although they are important, they are not sufficient to explain changes in borrowing patterns. This is due in part to the limited supply of federal loans available to students and to the requirements for participating in the student loan programs. The requirements are normally specified and changed in the Reauthorization legislation, which establishes the general rules for the federal financial aid programs. The supply of loans available to students can be expanded or contracted by changing the parameters of the federal loan programs in three primary areas: restrictions by dependency, loan limits, and need analysis. The Reauthorization of 1992 made important changes in all three of these areas that resulted in expanded participation in the Stafford loan programs and increased the amounts that could be borrowed, generally beginning with the 1993–94 academic year.[8]

Dependency and Unsubsidized Loans

Prior to 1993–94, dependent students were generally not eligible to participate in the SLS program of unsubsidized loans, which had the primary purpose of making supplemental loan funds available to independent students. After 1993–94, the SLS program was phased out and unsubsidized loans became available to both dependent and independent students through the Stafford programs. As before, qualification for unsubsidized loans was not restricted by financial aid need and unsubsidized loans could either be obtained to supplement subsidized Stafford loans or separately. Since about one–half of all undergraduates are dependent students, this change effectively doubled the number of students who could have qualified for unsubsidized Stafford loans in 1993–94.

There are very few restrictions on participation in the unsubsidized Stafford loan program. The major restriction is that students must be enrolled at least half time (this is typically two or more courses), which is also a requirement for subsidized Stafford loans. About one-fifth (18

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[7]For example, see U.S. General Accounting Office, *Higher Education: Tuition Increasing Faster Than Household Income and Public Colleges' Costs* (Washington, D.C.: 1996) and U.S. General Accounting Office, *Higher Education: Students Have Increased Borrowing and Working to Help Pay Higher Tuitions* (Washington, D.C.: 1998).

[8]Kenneth Redd, "The Changing Characteristics of Undergraduate Borrowers," in *Financing a College Education: How It Works, How It's Changing*, ed. Jacqueline King (Phoenix: American Council of Education/Oryx Press, 1999), provides a good summary of the 1992 Reauthorization and an analysis of the effects of the changes on borrowers. The importance of the expanded supply of loans is emphasized in J. King, "Student Borrowing: Is There a Crisis?," in *Student Loan Debt: Problems and Prospects* (Washington, D.C.: The Institute for Higher Education Policy/Sallie Mae Education Institute/The Education Resources Institute, 1998).

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percent) of all undergraduates were enrolled less than half-time in 1995–96.[9] This requirement excludes about 10 percent of the undergraduates at 4-year institutions from unsubsidized Stafford loans, and about 30 percent at public 2-year institutions, where there are large numbers of part-time students who are enrolled in only one course.[10]

Even though unsubsidized Stafford loans are not restricted by need, students may borrow only what is required to cover their educational expenses after any other aid. This restriction has little practical effect on participation in the program, since less than 5 percent of all undergraduates receive enough financial aid to cover their entire student budget.[11] However, it may limit the amount that they can borrow. In 1995–96, approximately three-fourths of all undergraduates were not affected by these restrictions and could have qualified for unsubsidized Stafford loans.

Annual and Cumulative Loan Limits

There are two types of limits on Stafford/SLS loan amounts, the ***annual*** maximum amount that students may receive during one academic year and the ***cumulative*** maximum that they may receive for their entire undergraduate education. The annual limits vary by the student's class level.[12] There are separate limits for subsidized and for unsubsidized loans and separate limits based on dependency for the combined total of the two types of loans. The cumulative maximum allows students to borrow the annual maximum at each successive class level up to a fifth year of undergraduate education. However, students who borrow less in some years may continue to take out loans over a longer period of time. The loan limits in effect from 1987–88 to 1992–93 are compared to those in effect since 1993–94 in table 2.

The annual ***subsidized*** Stafford loan limits are the same for dependent and independent undergraduates. From 1987–88 to 1992–93, first- and second-year students had an annual subsidized Stafford loan limit of $2,625, while upper level undergraduates had an annual limit of $4,000. The cumulative subsidized loan limit for all undergraduate years was $17,250 for both dependent and independent students.

Starting in 1993–94, the subsidized Stafford loan limits were raised. The maximum annual amounts for first-year undergraduates remained the same, but the annual limit for second-year students was raised by $875 (from $2,625 to $3,500), and the annual limits for upper level undergraduates were raised by $1,500 (from $4,000 to $5,500). The cumulative limit of subsidized

[9] 1995–96 National Postsecondary Student Aid Study Data Analysis System.

[10] Ibid.

[11] Ibid.

[12] Students who attend less than full time for a full year will have lower annual and cumulative loan limits.

Table 2—Annual and cumulative loan limits for undergraduate federal Stafford Loans and Supplemental Loans to Students (SLS)

	Dependent students			Independent students		
1987–88 to 1992–93	Subsidized Stafford	Unsubsidized SLS[1]	Total	Subsidized Stafford	Unsubsidized SLS	Combined Total
Class level						
First-year	$2,625	$0	$2,625	$2,625	$4,000	$6,625
Second-year	2,625	0	2,625	2,625	4,000	6,625
Third-year	4,000	0	4,000	4,000	4,000	8,000
Fourth-year	4,000	0	4,000	4,000	4,000	8,000
Fifth-year	4,000	0	4,000	4,000	4,000	8,000
Cumulative total	17,250	0	17,250	17,250	20,000	37,250

1993–94 to 1998–99	Subsidized Stafford	Unsubsidized Stafford	Combined Total[2]	Subsidized Stafford	Unsubsidized Stafford	Combined Total[3]
Class level						
First-year	$2,625	$2,625	$2,625	$2,625	$4,000	$6,625
Second-year	3,500	3,500	3,500	3,500	4,000	7,500
Third-year	5,500	5,500	5,500	5,500	5,000	10,500
Fourth-year	5,500	5,500	5,500	5,500	5,000	10,500
Fifth-year	5,500	5,500	5,500	5,500	5,000	10,500
Cumulative total	23,000[4]	23,000	23,000	23,000	23,000	46,000[4]

[1]Only available to dependent students with exceptional need.

[2]Dependents were limited to the maximum amount set for subsidized loans only.

[3]Independents could borrow the maximum subsidized amount plus the maximum unsubsidized amount.

[4]The yearly maximum amounts add to $22,625 for dependent students and $45,625 for independent students, but the maximums stipulated by the regulations are $23,000 and $46,000, respectively (see "Financial Aid Services," on the College Board website [www.collegeboard.org]).

SOURCE: U.S. Department of Education, *The Student Guide to Financial Aid*, annual.

loans for all undergraduate years was raised to $23,000, an increase of almost $6,000 for both dependent and independent students.

From 1987–88 to 1992–93, ***un***subsidized loans were generally available only to independent students through the SLS program. The annual maximum was $4,000 at all undergraduate class levels, and a cumulative total of $20,000 could be borrowed. SLS loans were intended to be supplementary to subsidized Stafford loans, so first- and second-year independent students could borrow a combined total of $6,265 annually, and upper division independent undergraduates could borrow up to $8,000 per year. The combined cumulative loan amount available to independent undergraduates was $37,250, more than two times the amount generally available to dependent undergraduates.

In 1993–94, the SLS program was phased out and the same type of loans became available to both dependent and independent students as unsubsidized Stafford loans. However, the annual loan limits for the ***combined*** subsidized and unsubsidized total amount continued to be substantially higher for independent students. As before 1993, qualified independent students could borrow the maximum subsidized amount *and* the maximum unsubsidized amount. In 1993–94 and after this was maintained at $6,625 for the first year, raised to $7,500 for the second year, and $10,500 for the third year or higher, with an undergraduate cumulative combined total of $46,000 for independent undergraduates.[13]

The combined total for dependent undergraduates, however, was limited to the maximum amounts set for subsidized loans alone. That is, dependent students could borrow the maximum subsidized *or* the maximum unsubsidized amount (which were the same), but not both. For dependent undergraduates the maximum amounts (subsidized, unsubsidized, or combined) were still $2,625 for the first year, but increased to $3,500 for the second year, and then to $5,500 for upper division students, with a cumulative total of $23,000. Therefore, as was the case before 1993, the total combined annual and the cumulative loan amounts available to dependent students were about one-half of the amounts available to independent students.

Need Analysis and Subsidized Loans

The subsidized Stafford loans, before and after 1993, were awarded on the basis of need. Financial aid need is determined by comparing the tuition and other educational expenses to the student's ability to pay for them. The sum of tuition and fees and other educational expenses (books and supplies, housing, food, transportation, and personal expenses) is called the student budget.[14] Student budgets are estimated by institutional financial aid offices for various categories of students based on such factors as their attendance status, dependency, and type of housing. For full-time, full-year dependent undergraduates the nontuition expenses in the student budgets averaged approximately $7,000 at 4-year colleges in 1995–96.[15]

The student's ability to pay is measured by an index called the ***expected family contribution*** (EFC), which is calculated from the information provided by students and their parents on the federal financial aid application. The EFC is primarily based on income and assets, with adjustments for family size and the number in the family enrolled in postsecondary education.

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[13]See "Financial Aid Services," on the College Board website (www.collegeboard.org).

[14]The use of the terms "tuition" and "fees" by institutions is arbitrary. Most institutions charge "tuition" for instruction and add "fees" for administrative and other services or equipment. Students are required to pay both. Some institutions charge only "fees" which cover both. In this report "tuition" means all of the charges to students required for enrollment.

[15]U.S. Department of Education, *Student Financing of Undergraduate Education: 1995–96* (NCES 98–076) (Washington, D.C.:1998): 6.

There are separate formulas to determine the EFC for dependent students (based primarily on parental finances), independent students without dependents, and independent students with dependents.

Whether students qualify for need-based federal aid, and for how much, is determined by comparing the estimated student budget to the expected family contribution. If the EFC is greater than the student budget, the student is not eligible for need-based federal aid. If the EFC is less than the budget, the amount of aid for which the student qualifies is equal to the student budget minus the EFC. If the student receives grants or other aid, this amount is subtracted from the need. If there is still need remaining, then that is the amount that may be covered by a subsidized Stafford loan, but only up to annual limits described above. Many students do not qualify for any subsidized loan because they have no need, either because the expected family contribution is higher than the student budget or because other aid covers their need. Others qualify for a subsidized loan, but the need is less than the maximum amount, so they are eligible to borrow less than the maximum. Others will qualify for the maximum amount, but the need may be greater than the loan limit. Independent students may then supplement the subsidized loan with unsubsidized amounts. Dependent students who receive the maximum subsidized amount and still have need may not normally borrow more through the Stafford program.[16] Among those who do qualify for subsidized loans, some will choose not to borrow (or not to borrow as much as they could) and instead rely on other sources of funds. Often this means working at a job while enrolled.

The rules of the federal need analysis, as well as the annual loan limits, therefore restrict the subsidized Stafford loan amounts available to qualified students with need. The same basic principles of need analysis described above applied before and after 1993, but in that year several important changes in the way the federal EFC was calculated went into effect as a result of the Reauthorization of 1992.[17] Three of the changes benefited most dependent students by reducing their EFC. First, home equity was no longer considered in calculating the parents' expected contribution from assets. Second, parents with annual incomes under $50,000 who filed one of the short federal tax forms were no longer required to include any other assets in the determination of the EFC. Third, the amounts that dependent students were expected to contribute from their own earnings were reduced, and the annual minimum contributions required from all dependent students was eliminated ($700 for first-year students and $900 for all others, whether or not they had any earnings). In 1995–96, the average EFC for dependent students from families below the

[16]There are exceptions. See note 4 above.

[17]There were many more changes that affected relatively few applicants which are not discussed here. For example, the deduction for parents with children in private elementary or secondary schools was eliminated in the 1992 Reauthorization.

median income was about $1,200 lower than in 1992–93, while that of families above the median increased by less than $1,000.[18]

Among independent students, the average EFC also fell in the two lowest income quartiles and increased in the two higher quartiles. However, the changes in need analysis had a mixed effect, depending on the type of independent student. Those who were unmarried without children and had low incomes benefited from the elimination of the minimum EFC of $1,200 required from all independents without dependents prior to 1993. However, another change in the 1992 Reauthorization reduced the eligibility of this group for federal Pell grants. Prior to 1993, Pell grants were awarded on the basis of a separate Pell grant index similar to the EFC, but based on a formula that was more favorable to independent students. After 1993, the separate index was eliminated, and Pell grants were awarded on the basis of the same EFC used for all other federal need analysis. Although the resulting average EFC was lower for this group after 1993 than the previous non-Pell EFC, it was higher than the former Pell grant index. This meant that single independent students without children became eligible for more need-based aid in general, but less eligible for Pell grants in particular. Although the average EFC for this group fell by $2,000 between 1992–93 and 1995–96, the percentage of unmarried independent students without dependents receiving Pell grants fell from 26 percent in 1992–93 to 18 percent in 1995–96.[19] The combination of lower EFCs and less Pell grant aid not only increased this group's eligibility for subsidized loans, it may also have contributed to their demand for both types of loans to offset Pell grant losses.

Independent students who were married but had no children saw an increase in the EFC resulting from their reclassification into the same category as single independent students without children. The assumptions built into the EFC formulas for independent students require a higher percentage of income to be contributed from those who are categorized as "without" dependents as from those categorized as "with" dependents.[20] The rationale for this difference is that students without dependents have only themselves to support, while those with dependents must also support a family while they are enrolled. Prior to 1993, a student's spouse was considered to be a dependent, and married students without children shared in the benefits of the lower EFC formula. As part of the 1993 changes, spouses of students were no longer treated as if they were dependents of the student, and the EFC of married students without children was calculated according to the more rigorous assumptions of the formula applied to those without dependents.

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[18]1992–93 National Postsecondary Student Aid Study Data Analysis System and 1995–96 National Postsecondary Student Aid Study Data Analysis System.

[19]1995–96 National Postsecondary Student Aid Study Data Analysis System.

[20]1992–93 National Postsecondary Student Aid Study Data Analysis System. For example, in 1992–93 the average EFC for those with dependents who were in the two lowest income quartiles were $250 and $600, respectively. For those without dependents the EFC for the comparable two quartiles was $2,400 and $6,000.

The EFC is a measure of the student's ability to pay, but the components and assumptions upon which it is based are subject to change. The modifications in the 1992 Reauthorization reduced the average EFC for students with incomes below the median and kept the average EFC for dependent students with family incomes above the median lower than it would have been without these changes. With a combination of rising tuition and falling expected family contributions, average financial aid need increases. This means that a larger percentage of students could qualify for subsidized Stafford loans, and for larger amounts.

Trends in Subsidized and Unsubsidized Loans

The undergraduates who were enrolled in the academic years 1989–90 and in 1992–93 could participate in the Stafford/SLS loan program under the same rules that were in effect prior to the Reauthorization of 1992. Changes in borrowing patterns between these years, which will be referred to as the first period, should therefore be related only to the factors associated with changes in the demand for student loans, such as tuition, income, and grants. Students who were enrolled in 1995–96, on the other hand, could borrow under the new Stafford loan provisions, which made unsubsidized loans available to dependent students, increased the loan limits, and modified the need analysis to allow more students to qualify for subsidized loans. Changes in borrowing patterns between 1992–93 and 1995–96, which will be called the second period, are therefore related to the expanded supply of loan funds available to students as well as to demand factors.

The effect of the changes in the Stafford/SLS programs in 1993–94 is reflected in the aggregate loan amounts as well as in the student level data in the NPSAS surveys for the three years. The total amount borrowed by *undergraduates* through the Stafford/SLS programs increased by $2 billion during the first period, from approximately $8 billion in 1989–90 to $10 billion in 1992–93. During the second period, when the new rules were in effect, the total undergraduate Stafford loan volume increased by $7 billion, to approximately $17 billion in 1995–96.[21]

These higher loan volumes may reflect an increase in the number of borrowers, an increase in the average loan amount, or both. In 1989–90, about 19 percent of all undergraduates received Stafford/SLS loans and this percentage had not changed in 1992–93[22] (figure 1). However, students did borrow more, and the average loan amount increased (in current dollars) from $2,600 to $3,100 during those years (figure 2). Three years later, when the new loan program rules were in effect, both the percentage of students borrowing *and* the average loan amounts had increased. In 1995–96, one-fourth of all undergraduates received Stafford loans and the average loan ($3,900) was about $800 higher than three years earlier.

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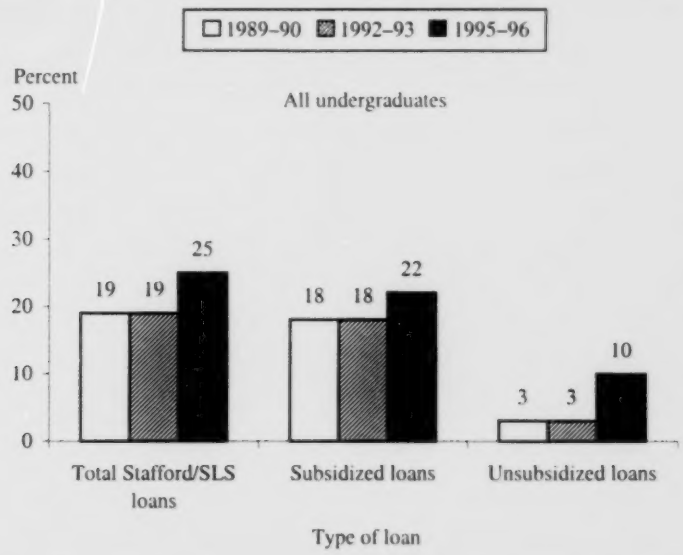
[21]These estimates for undergraduates are based on unpublished data from the National Student Loan Data System. Approximately one-fourth of the Stafford/SLS loan amounts were received by graduate and first-professional students.

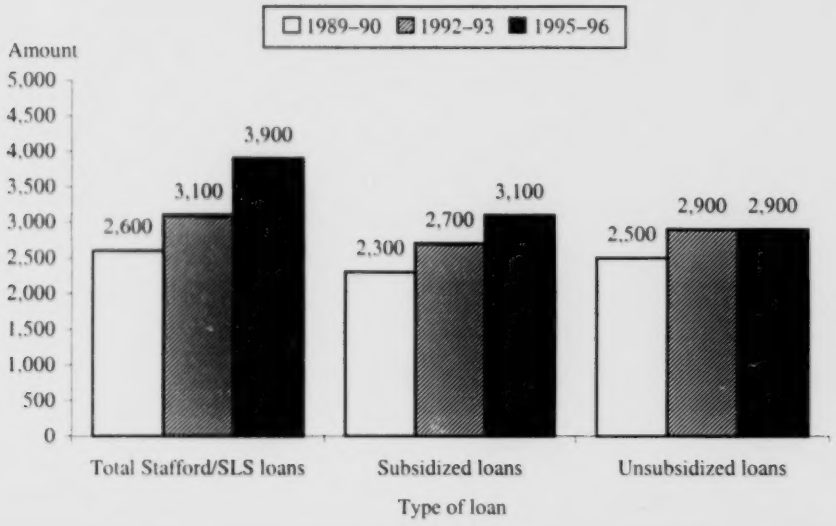
[22]Undergraduate enrollments increased from 11.7 million in fall 1989 to 12.5 million in fall 1992, and then declined to 12.2 million in fall 1995. U.S. Department of Education, *Digest of Education Statistics 1997* (NCES 98-015) (Washington, DC:1997), table 187.

Figure 1—Percentage of all undergraduates receiving subsidized, unsubsidized, and any Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Figure 2—Average subsidized, unsubsidized, and total Stafford Loans or Supplemental Loans to Students (SLS) received by undergraduates in 1989–90, 1992–93, and 1995–96



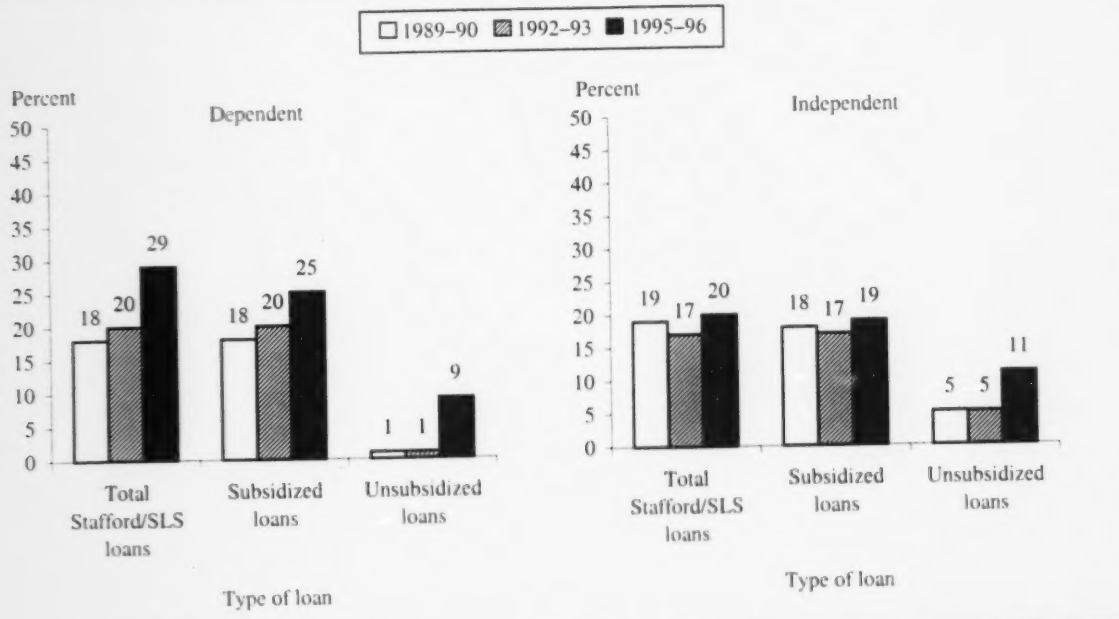
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Dependent and Independent Students

Both in 1989–90 and in 1992–93, about 18 percent of all undergraduates received subsidized Stafford loans and about 3 percent received unsubsidized SLS loans (figure 1). In 1995–96, the percentage of all undergraduates receiving subsidized loans had increased to 22 percent, and those receiving unsubsidized loans had increased to 10 percent. Since unsubsidized loans were generally not available to dependent students prior to 1995–96, the increase is not unexpected. However, the rise in unsubsidized loans occurred among both dependent and independent students (figure 3).

Among dependent undergraduates, Stafford loan borrowing rates changed little between 1989–90 and 1992–93 (18 and 20 percent, respectively). The percentage with unsubsidized loans remained at less than one percent (figure 3). In 1995–96, the proportion of dependent students with subsidized Stafford loans rose to 25 percent, and those with unsubsidized loans to 9 percent. Among independent undergraduates, the percentage with subsidized Stafford loans remained relatively constant between 17 and 19 percent in all three years, but the percentage with

Figure 3—Percentage of all dependent and independent undergraduates receiving subsidized, unsubsidized, and any Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96



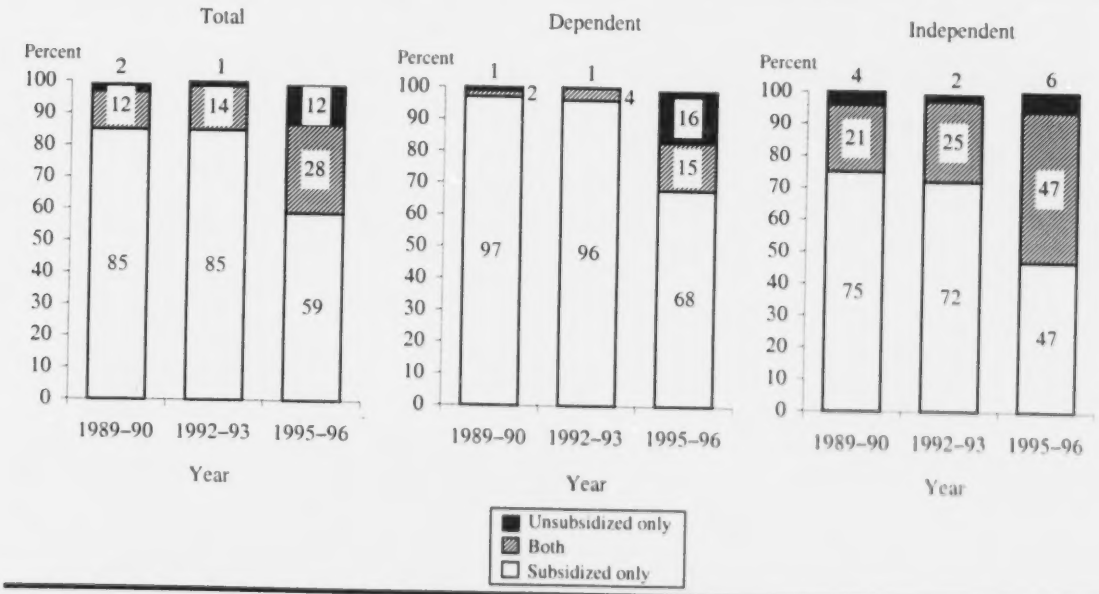
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

unsubsidized loans about doubled (from 5 to 11 percent) between 1992–93 and 1995–96. By 1995–96, the percentage of dependent and independent students with unsubsidized loans was about the same.

The total Stafford/SLS percentages and amounts in this report are for those who received *either* a subsidized or an unsubsidized Stafford/SLS loan, *or both*. Most borrowers receive subsidized loans or both. Therefore, the total will be about the same as that for subsidized loans alone. When students receive *only* unsubsidized loans, the total will be higher. The difference between the total and the subsidized percentages is the percentage that received only unsubsidized loans. For example, in 1995–96, 4 percent of all dependent students received only unsubsidized loans,[23] which raised the total borrowing rate to 29 percent.

The distribution of borrowers by the type of loan is shown in figure 4. In 1995–96, about one-third of the dependent borrowers took out unsubsidized loans, 16 percent with unsubsidized

Figure 4—Percentage distribution of undergraduate Stafford/Supplemental Loans to Students (SLS) recipients with subsidized, unsubsidized or a combination of both loans, by dependency in 1989–90, 1992–93 and 1995–96



NOTE: Totals may not sum to 100 due to rounding.

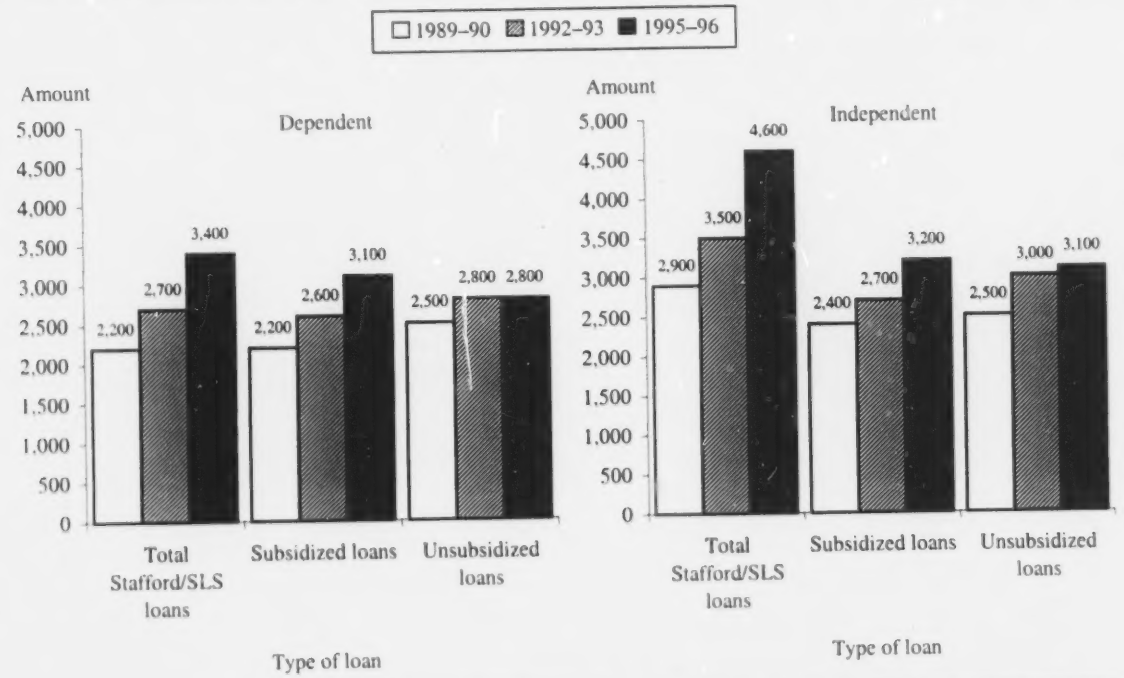
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

[23] 1995–96 National Postsecondary Student Aid Study Data Analysis System. While figure 3 shows that 9 percent of dependent undergraduates received unsubsidized loans, 5 percent also received subsidized loans.

loans only and 15 percent with both subsidized and unsubsidized loans. In both 1989–90 and 1992–93, about one-fourth of the independent students who received Stafford/SLS loans obtained an unsubsidized loan, usually in combination with a subsidized loan. In 1995–96, however, about one-half of the independent student borrowers took out unsubsidized loans, also usually in combination with a subsidized loan. In all three years, 6 percent or fewer independent student Stafford/SLS borrowers took out unsubsidized loans alone.

The increase in the proportion of independent student borrowers taking out both subsidized and unsubsidized loans in 1995–96 is shown in the growth in the average loan amounts in figure 5. The average subsidized loan amounts did not differ between dependent and independent students in all three years. Independent students, however, could combine them with unsubsidized loans and had higher limits. Thus, their total amounts were always higher than those for dependent students. In 1995–96, the average independent student total Stafford loan was $1,200 higher than that for dependent students ($4,600 versus $3,400).

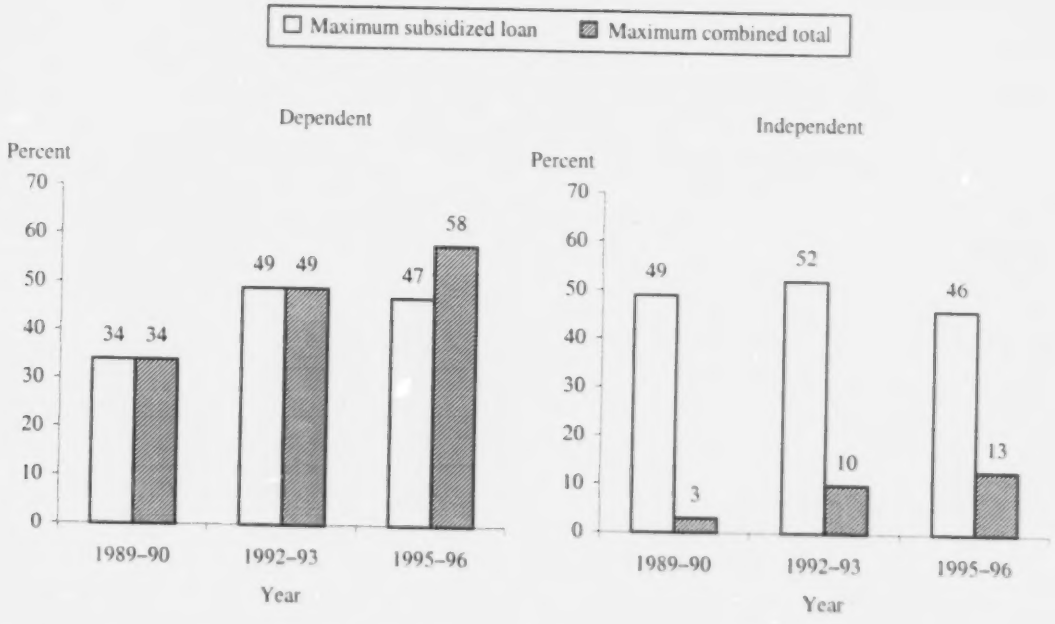
Figure 5—Average subsidized, unsubsidized, and total Stafford Loans or Supplemental Loans to Students (SLS) received by dependent and independent undergraduates in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Despite the higher average loan amounts, the percentage of independent borrowers who received the maximum combined total remained relatively low (figure 6). In all three years, about one-half of the independent student borrowers received the maximum subsidized loan amount allowed for their class level (ranging from $2,625 to $5,500). The percentage with the higher combined total maximum (ranging from $6,625 to $10,500) increased from 3 percent to 13 percent during the period. Among dependent borrowers, the percentage receiving the maximum subsidized amounts increased from about one-third in 1989–90 to one-half in 1992–93, while the loan limits were the same. In 1995–96, when the loan limits were higher, about one-half still received the maximum subsidized amount and 58 percent received the maximum combined amounts, which had the same limits ($2,625 to $5,500).[24]

Figure 6—Percentage of federal Stafford Loans/Supplemental Loans to Students (SLS) undergraduate recipients who borrowed the maximum annual subsidized and the combined total (subsidized and unsubsidized) amounts in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

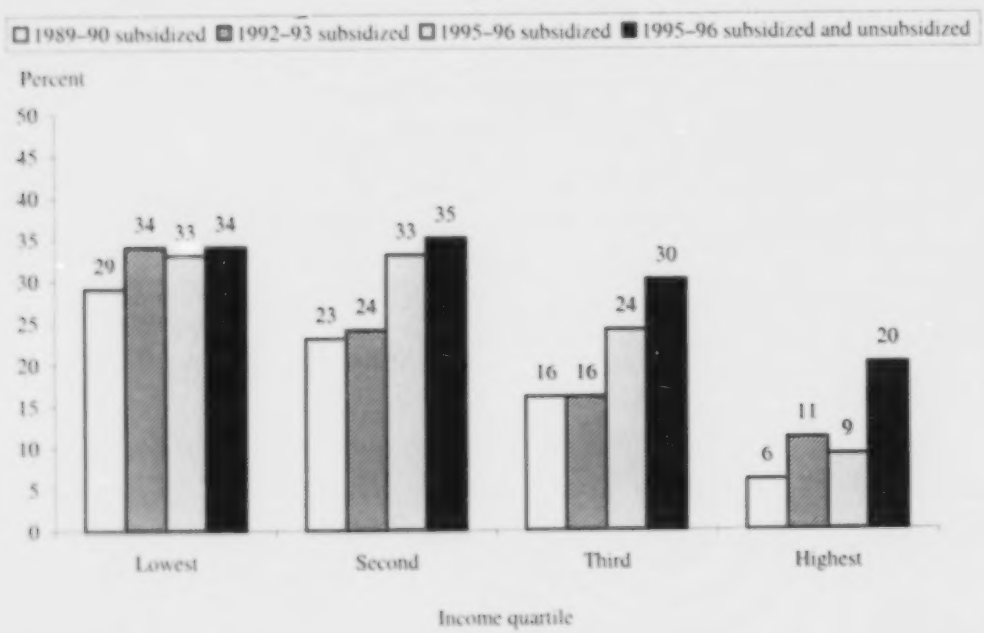
[24]Only full-time, full-year students are eligible for the maximum amounts.

Borrowing by Income

The change in the Stafford/SLS borrowing rates of all dependent undergraduates by income quartiles in the three years is shown in figure 7. The bars in the figure indicate the percentage with subsidized loans for each of the three years, and then the total loan percentage (subsidized and unsubsidized) for 1995–96. When the total percentage is higher than that for subsidized loans, the difference represents the percentage of students with unsubsidized loans only.

Among dependent students in the lowest income quartile in 1995–96, subsidized borrowing rates increased from 29 to 34 percent during the first period, and then remained the same. In the second and third income quartiles, there was no change in subsidized borrowing rates during the first period, but borrowing increased in the second period for both income groups. In both the third and highest income quartiles, total borrowing rates were higher than the rates for subsidized loans in 1995–96. In the third quartile the total borrowing increase was partly due to students borrowing only unsubsidized loans, while in the highest quartile the increase was entirely due to

Figure 7—Percentage of all dependent undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by family income quartiles in 1989–90, 1992–93, and 1995–96

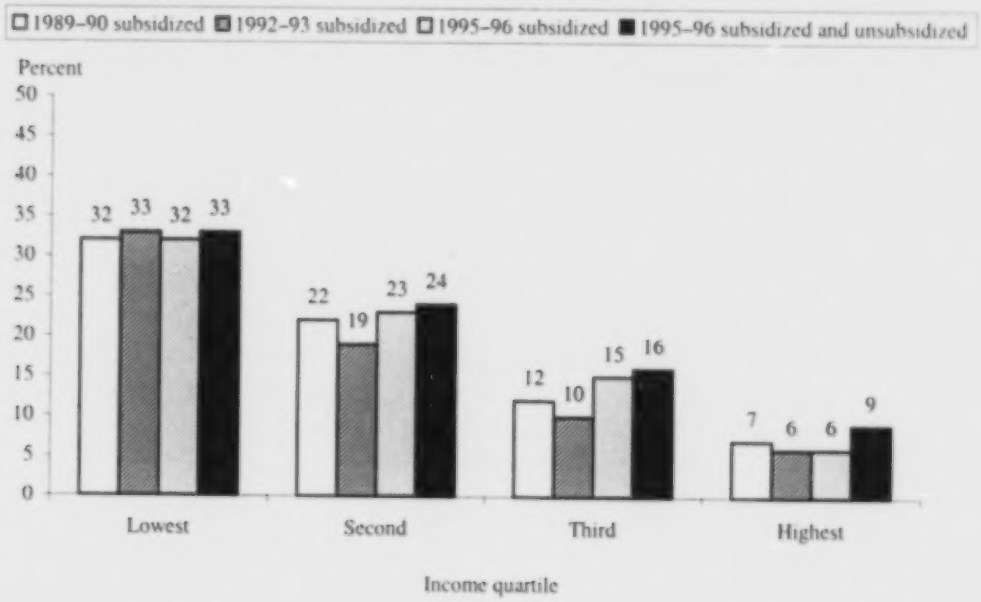


SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

students borrowing only unsubsidized loans. In other words, before the changes in the loan programs, borrowing rates increased only in the lowest income quartile. After the changes, there was no further increase in the lowest income quartile, but there were higher borrowing rates of subsidized loans in the second income quartile, of both subsidized and unsubsidized loans in the third income quartile, and of unsubsidized loans in the highest income quartile.

Among all independent students, the pattern of change between 1992–93 and 1995–96 was relatively similar (figure 8). There were no increases in borrowing rates in the lowest income quartile (32 to 33 percent), increases in subsidized loan borrowing rates in the second and third income quartiles (19 to 23 percent and 10 to 15 percent, respectively), and increases in unsubsidized loan borrowing in the highest income quartile (6 to 9 percent).

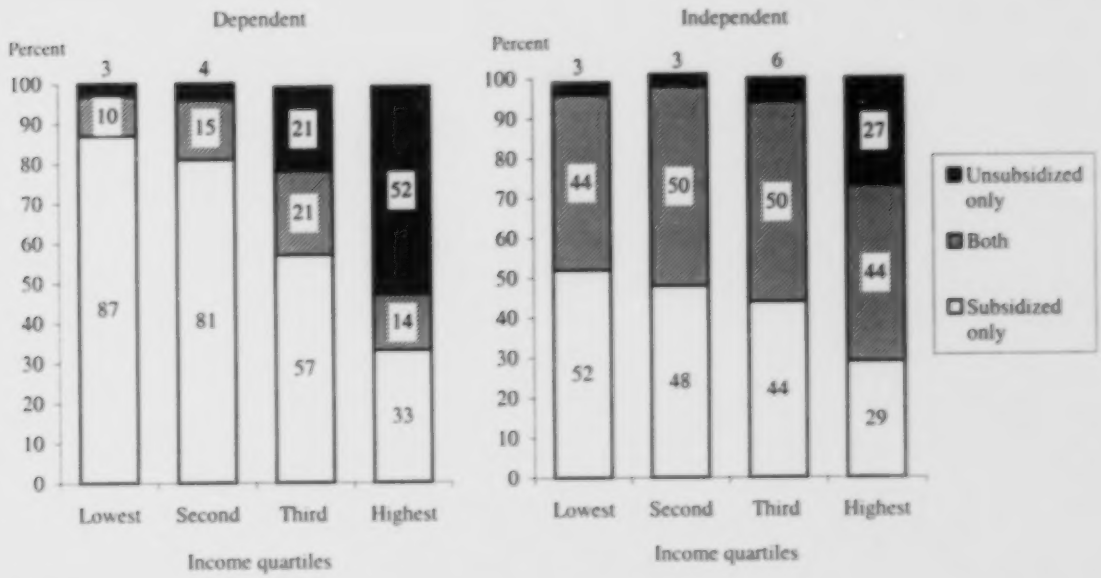
Figure 8—Percentage of all independent undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by income quartiles in 1989–90, 1992–93, and 1995–96



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

The distribution of the types of loans by income levels in 1995–96 is shown in figure 9. Among dependent students, a small proportion (3 to 4 percent) of the borrowers in the lower income quartiles received *only* unsubsidized loans, compared with about one-half (52 percent) of the students in the highest income quartile. The proportion of dependent borrowers with *any* unsubsidized loans in the two lowest income quartiles was one-fifth or less. In contrast, among independent student borrowers in the lowest and second income quartiles, roughly one-half took out unsubsidized loans.

Figure 9—Percentage distribution of undergraduate Stafford Loans/Supplemental Loans to Students (SLS) recipients with subsidized, unsubsidized or a combination of both loans, by dependency and income quartiles in 1995–96



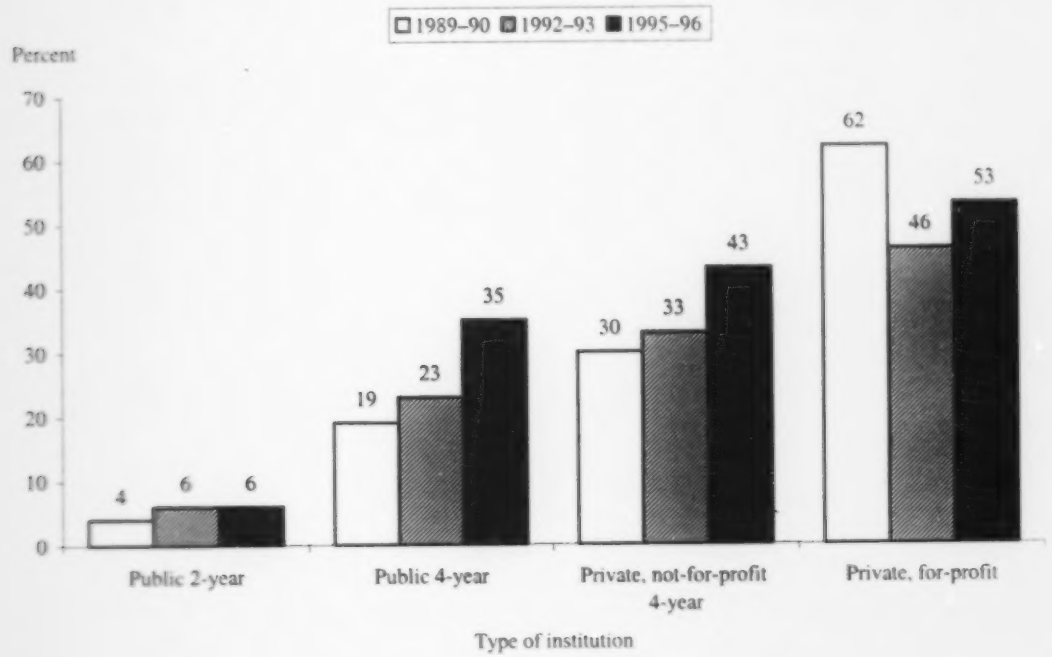
NOTE: Totals may not sum to 100 due to rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Borrowing Trends by Types of Institution

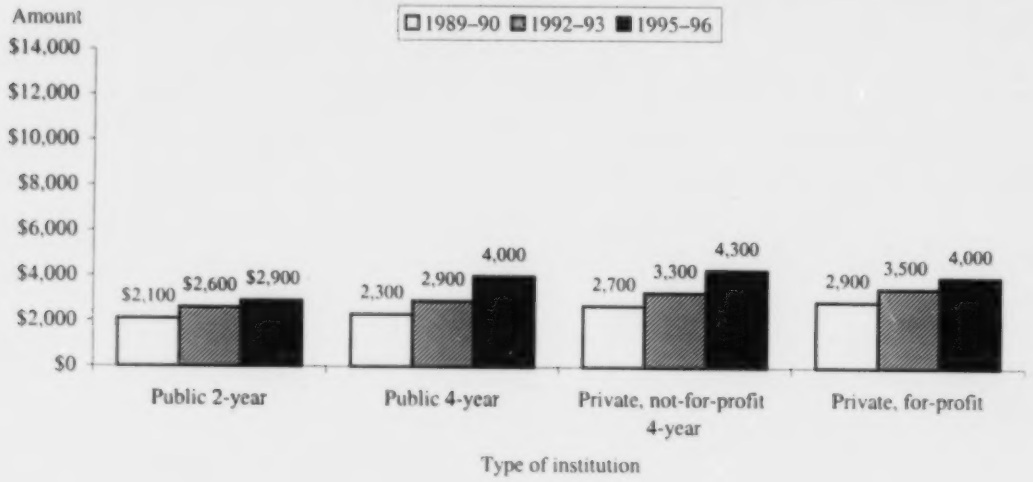
The percentage of undergraduates receiving Stafford/SLS loans and the average amounts borrowed is displayed by the type of institution attended during the three years under consideration in figures 10 and 11. In 1989–90, students at public 2-year institutions were less likely to borrow (4 percent) than those at the other types of institutions, and they also borrowed the lowest average amount ($2,100). Those enrolled in private, for-profit institutions were the most likely to borrow (62 percent).

Figure 10—Percentage of all undergraduates receiving federal Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96 by type of institution attended



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Figure 11—Average amount of federal Stafford Loans or Supplemental Loans to Students (SLS) received by all undergraduates in 1989–90, 1992–93, and 1995–96 by type of institution attended



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Between 1989–90 and 1992–93, the percentage of students attending public 2-year institutions who took out Stafford/SLS loans did not change significantly, but they borrowed larger amounts in 1992–93 (from $2,100 to $2,600). In 1995–96, the percentage of all students receiving Stafford loans at public 2-year institutions remained the same as in 1992–93 (6 percent), and there was no significant increase in the average loan amount ($2,900). The relatively low borrowing rates and loan amounts at public 2-year institutions in all three years reflect the relatively low levels of tuition and the high percentage of part-time students, including a substantial percentage of less than half-time students (about 30 percent) who were not eligible to participate in the Stafford/SLS loan programs. Among full-time, full-year students there was an increase in the percentage receiving Stafford/SLS loans between 1989–90 and 1995–96, from 9 percent to 15 percent, and the average loan amount increased from $2,100 to $3,000.[25] However, full-time, full-year students with Stafford loans represented just 3 percent of all public 2-year undergraduates in 1995–96,[26] and the sample size is too small to report measurable changes at any further level of detail.

[25]See supplementary table 4.4 in appendix A.

[26]1995–96 National Postsecondary Student Aid Study Data Analysis System.

At private, for-profit institutions there was a decline in the percentage of students with Stafford/SLS loans between 1989–90 and 1992–93, dropping from 62 to 46 percent. This reflected the effects of a number of regulatory changes during this period that restricted participation in the Stafford/SLS loan programs at institutions with high default rates.[27]

While the percentage of students borrowing did not increase significantly between 1992–93 and 1995–96 (46 and 53 percent, respectively), students at private, for-profit institutions continued to be more likely to borrow than those attending all other types of institutions. Student borrowing at private, for-profit institutions is examined in detail in a recent study.[28] This study reported that students in private, for-profit institutions paid relatively high tuition, were likely to attend full-time, and were likely to be low-income independent students. All of these factors are related to a high demand for student loans.

Among undergraduates attending 4-year institutions, both the percentage borrowing (figure 10) and the average loan amounts (figure 11) were higher at the private, not-for-profit institutions than at the public institutions in all three years. This reflects the difference in the tuition levels at these institutions. The average tuition and fees for full-time, full-year undergraduates by the type of institution attended during the three years under consideration are shown in figure 12. In 1989–90, the average tuition was $2,200 at public 4-year institutions and $8,900 at private, not-for-profit 4-year institutions. Tuition increased in each of the following years at both types of institutions. By 1995–96, the average tuition levels were $3,800 and $12,600, respectively.

Figure 13 displays a comparison of the distribution of all undergraduates and the distribution of the undergraduate Stafford/SLS borrowers by the types of institution attended in the three academic years under consideration. The largest concentration of undergraduates in all three years was in the public 2-year institutions, with 42 to 46 percent of total enrollments. The proportions of all undergraduates attending public 4-year and private, not-for-profit 4-year institutions remained about the same in each of the three years (31 to 32 percent and 14 to 15 percent, respectively). By contrast, the proportion of students enrolled in private, for-profit institutions declined from 9 percent to 6 percent of all undergraduates during this period.

Although they represented just 9 percent of all undergraduates in 1989–90, students at private, for-profit institutions made up 29 percent of all undergraduate Stafford/SLS borrowers in that year. By 1995–96, however, the proportion of borrowers in the Stafford loan program enrolled in private, for-profit institutions had dropped to 12 percent.

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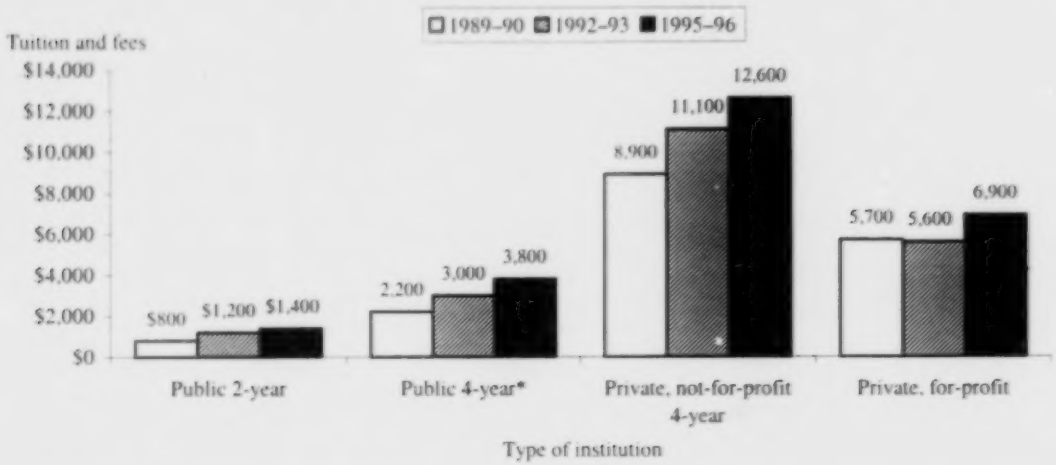
[27]R. Phipps, K. Harrison, J. Meritosis, *Students in Private For-Profit Institutions* (U.S. Department of Education, National Center for Education Statistics (NCES)), forthcoming.

[28]Ibid.

Figure 12—Average tuition and fees for full-time, full-year undergraduates by type of institution attended in 1989–90, 1992–93, and 1995–96



*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

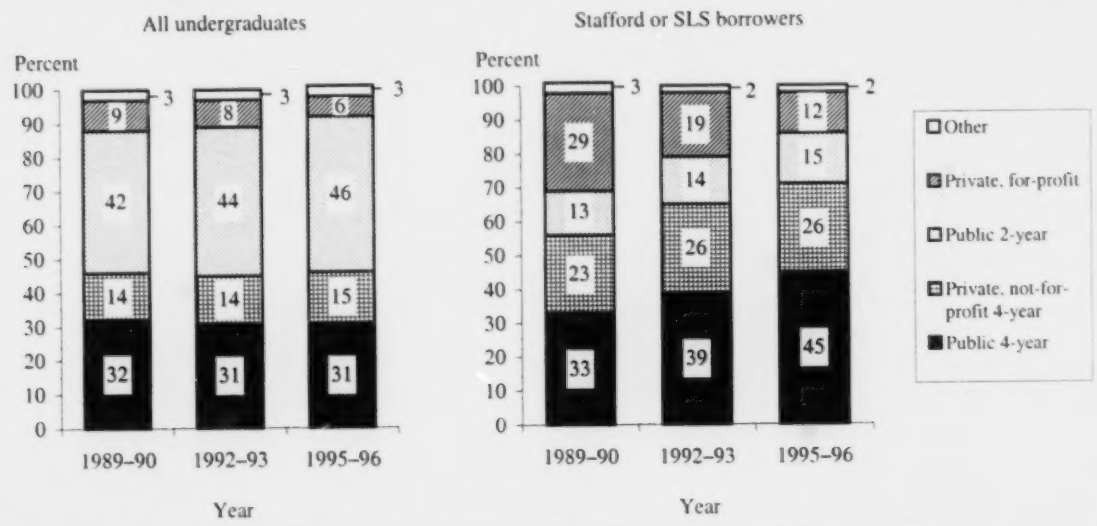
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

In 1989–90, students attending public 4-year institutions represented one-third of all undergraduates receiving Stafford/SLS loans. Six years later, they made up nearly half (45 percent) of all Stafford loan recipients. Unlike in public 4-year institutions, the proportion of Stafford loan borrowers in private, not-for-profit 4-year institutions did not change measurably over the two time periods (23 to 26 percent).

In summary, reflecting higher tuition, students in private not-for-profit 4-year institutions were more likely to borrow and borrow larger amounts of Stafford loans than their counterparts at public 4-year institutions. In both 4-year sectors, however, there was an increase in borrowing rates and Stafford loan amounts between 1992–93 and 1995–96. Students in private-for-profit institutions, who made up a small proportion of all undergraduates, were more likely to borrow than students in other types of institutions. Due in part to regulatory changes, however, the proportion of borrowers in private, for-profit institutions declined between 1989–90 and 1992–93 and then remained relatively constant in the second period.[29]

[29]While it appears that there was a drop in proportion of borrowers (from 19 to 12 percent), there is not enough statistical evidence to draw this conclusion.

Figure 13—Distribution of all undergraduates and of all undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by type of institution attended in 1989–90, 1992–93, and 1995–96



NOTE: Totals may not sum to 100 due to rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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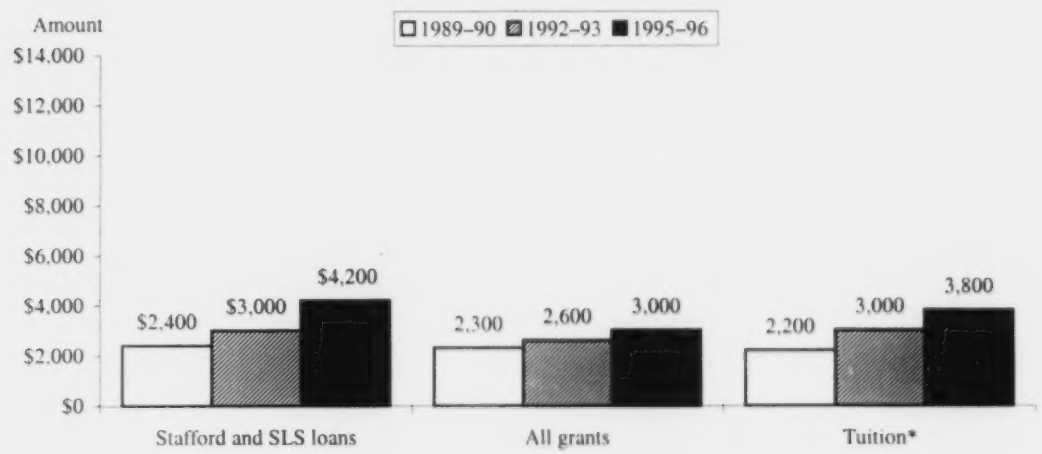
Tuition and Borrowing at 4-Year Institutions

By 1995–96, 70 percent of all undergraduates receiving Stafford loans were attending 4-year colleges and universities, and over 70 percent of these borrowers were enrolled full-time for a full academic year (71 percent at the public 4-year, and 78 percent at private, not-for-profit 4-year institutions). This section of the report will focus on borrowing and tuition levels among the full-time, full-year students in these two sectors.

Public 4-Year Institutions

At the public 4-year institutions, the average tuition for full-time, full-year undergraduates rose from $2,200 to $3,800 between 1989–90 and 1995–96, an increase of $1,600 (figure 14).[30]

Figure 14—Average amount of Stafford Loans and Supplemental Loans to Students (SLS), grants received, and average tuition paid by full-time, full-year undergraduates in 1989–90, 1992–93, and 1995–96: Public 4-year institutions



*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

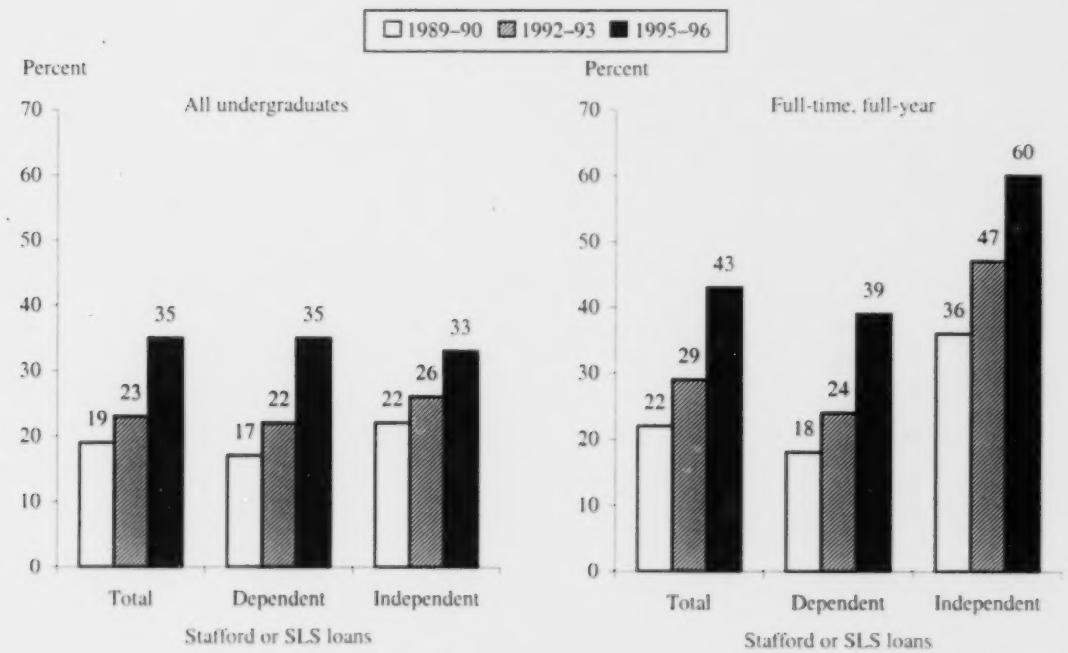
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

[30]These tuition amounts include out-of-state students who are usually charged higher tuition.

At the same time, the average grant increased by just $700 (from $2,300 to $3,000) while the average Stafford/SLS loan increased by $1,800 (from $2,400 to $4,200). In other words, grant amounts increased less than tuition, while loans increased about the same amount as tuition.

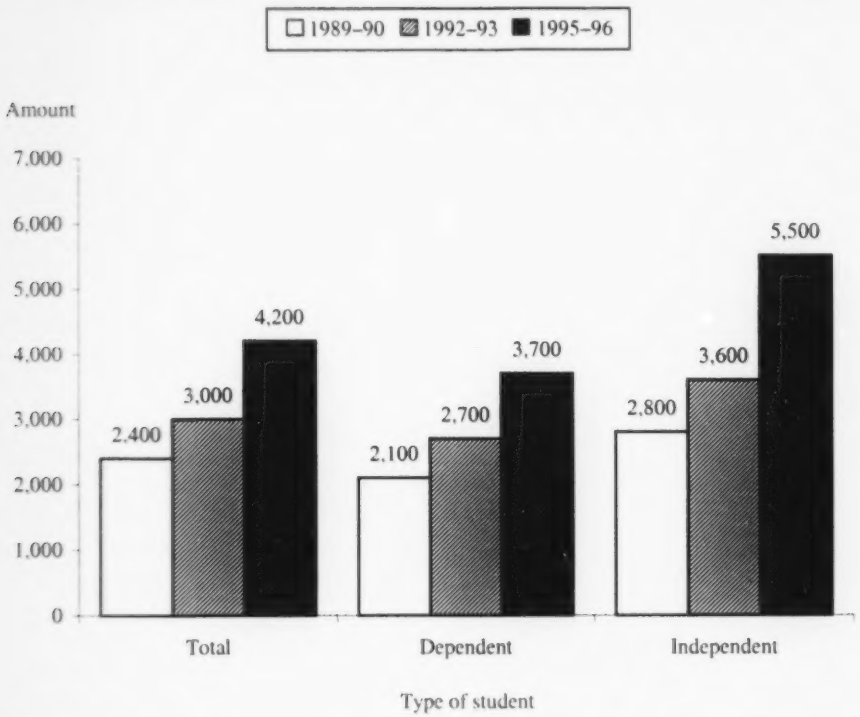
The percentage of full-time, full-year undergraduates in public 4-year institutions receiving Stafford/SLS loans nearly doubled (from 22 to 43 percent) in the six-year period between 1989–90 and 1995–96 (figure 15). For dependent full-time, full-year students, the percentage taking out Stafford/SLS loans increased from 18 to 24 percent in the first period from 1989–90 to 1992–93, and then jumped to 39 percent in 1995–96. The increase in the percentage borrowing was higher in the second period, after the new loan program went into effect, than in the first. Likewise, the average loan amount received by full-time, full-year dependent undergraduates increased by a larger amount during the second period ($1,000) than during the first ($600) (figure 16).

Figure 15—Percentage of all undergraduates and of full-time, full-year undergraduates receiving federal Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96 by dependency: Public 4-year institutions



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Figure 16—Average total Stafford Loans/Supplemental Loans to Students (SLS) received by full-time, full-year undergraduates in 1989–90, 1992–93, and 1995–96: Public 4-year institutions



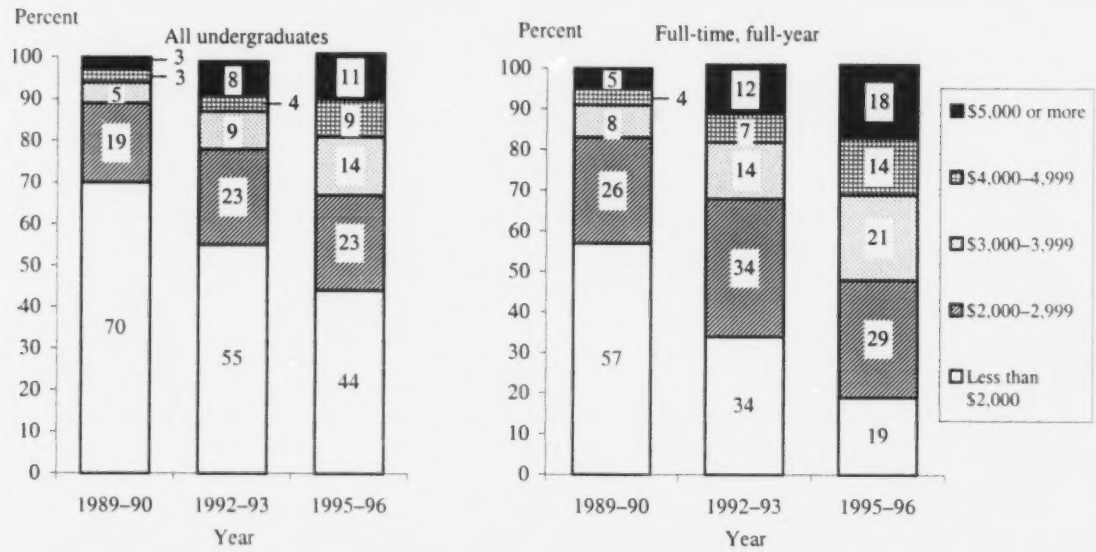
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Among independent full-time, full-year undergraduates in public 4-year institutions, the *increases* in the borrowing rates were similar in both periods (from 36 percent to 47 percent in the first period and then to 60 percent in the second; figure 15). However, like their dependent counterparts, the average loan *amount* increased more in the second period (by $1,900) than in the first ($800; figure 16).

This pattern of borrowing more during the second period compared to the first period does not parallel the pattern of the average tuition increases for public 4-year institutions over the same two time periods. While there were marked increases in tuition charged for public 4-year institutions during the two time periods—from $2,200 to $3,000 to $3,800 (as was shown in figure 12)—the *size* of the increases in each period were similar, about $800.

The change in the distribution of students by tuition levels between 1989–90 and 1995–96 in public 4-year institutions is shown in figure 17. In 1989–90, a majority (57 percent) of the full-time, full-year undergraduates were charged less than $2,000 in annual tuition; three years later it had dropped to about one-third (34 percent); and in 1995–96 about one-fifth (19 percent) were charged less than $2,000. Correspondingly, in 1995–96, about one-fifth (18 percent) were charged $5,000 or more, compared to 5 percent who were charged $5,000 or more six years earlier.

Figure 17—Distribution of all undergraduates and full-time, full-year undergraduates by tuition and fees charged in 1989–90, 1992–93, and 1995–96: Public 4-year institutions*



*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

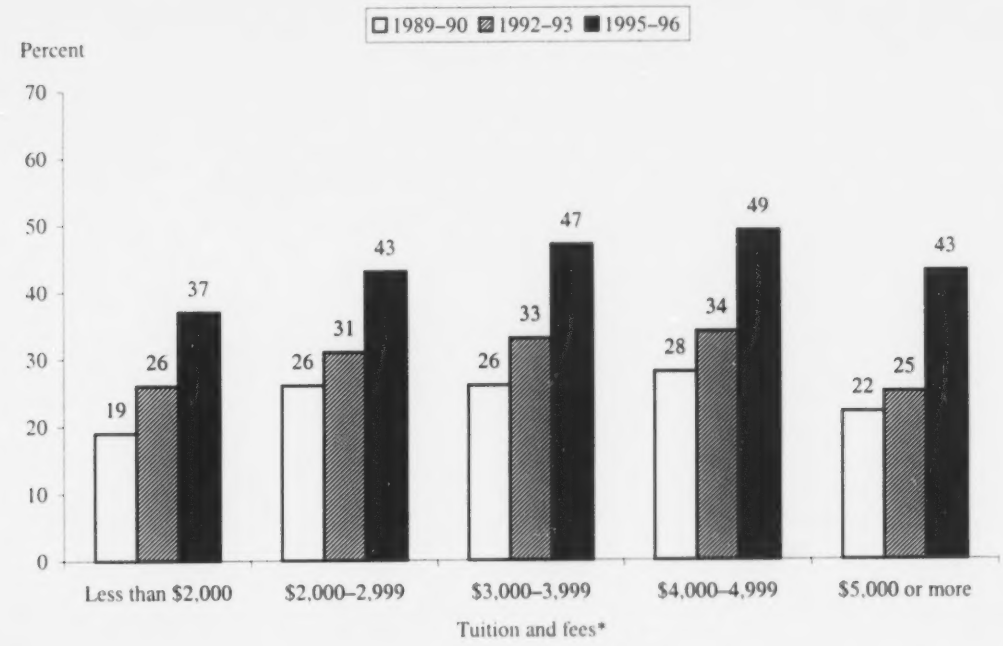
NOTE: Totals may not sum to 100 due to rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Although increasing tuition levels create demand for student loans,[31] the Stafford/SLS borrowing rates were not directly related to tuition increases over time between 1989–90 and 1995–96 (figure 18). For example, in 1989–90, among students in three successively higher levels of tuition ($2,000–2,999, $3,000–3,999, and $4,000–4,999), the same proportion in all three groups took out Stafford/SLS loans (26 to 28 percent). Six years later, while a greater percentage had

[31] As evidenced by students who are more likely to borrow and to borrow higher amounts among those who attend higher tuition schools, such as private-not-for-profit 4-year institutions, versus those who attend public 4-year institutions.

Figure 18—Percentage of full-time, full-year undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by tuition and fees charged in 1989–90, 1992–93, and 1995–96: Public 4-year institutions



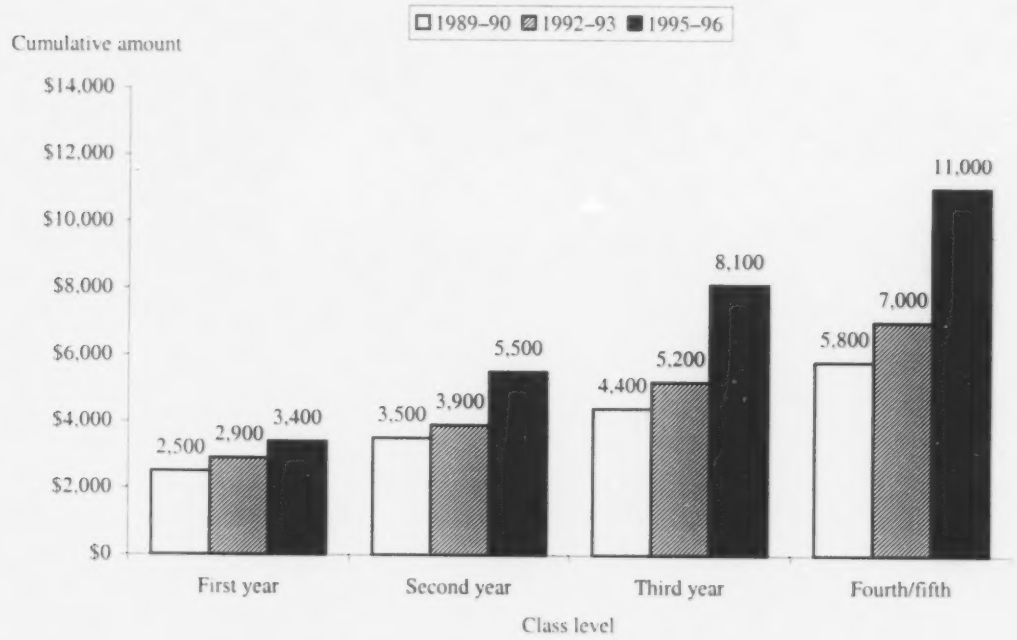
*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

borrowed in each of the three tuition levels, the proportions across the three levels borrowed were not measurably different (43 to 49 percent). In fact, there was no difference in the amount of change in the percentage of borrowers by tuition levels (increases of 17 to 21 percentage points), between 1989–90 and 1995–96. In other words, regardless of tuition level, full-time full-year undergraduates at public 4-year institutions were more likely to borrow and to borrow greater amounts in 1995–96 than in 1989–90.

The effect of the increases in annual borrowing was a substantial increase in the cumulative Stafford/SLS loan amounts among the students in the higher class levels, especially after 1992–93 (figure 19). The cumulative loan amounts shown are the total that the students *ever* borrowed as undergraduates through their respective class levels in the given year. (Since some of this may already have been repaid, these averages may be somewhat higher than the average debt owed at that time). The cumulative loan amounts of college seniors (fourth- and fifth-year undergraduates) are of particular interest, because these students are completing their undergraduate education. Between 1989–90 and 1992–93, the average cumulative Stafford/SLS loan amount of seniors at public 4-year institutions grew from $5,800 to $7,000, an increase of $1,200. Three years later, after the higher loan limits were in effect, the average cumulative amount borrowed had risen to $11,000, an increase of $4,000. In 1995–96, about one-half (51 percent) of all fourth- and fifth-year students at 4-year public institutions had taken out a Stafford/SLS loan at some time during their undergraduate years.

Figure 19—Cumulative total Stafford/Supplemental Loans to Students (SLS) borrowed by class level in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

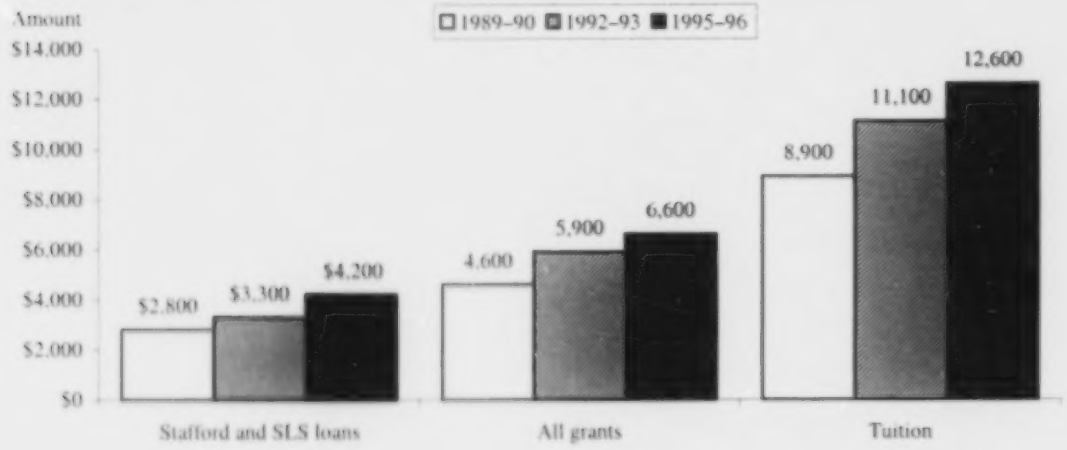


SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Private, Not-for-Profit 4-Year Institutions

At private, not-for-profit 4-year institutions, between 1989–90 and 1995–96 the average tuition for full-time, full-year undergraduates increased by $3,700, from $8,900 to $12,600 (figure 20). The average grant increased by $2,000 (from $4,600 to $6,600) and the average Stafford/SLS loan increased by $1,400 (from $2,800 to $4,200). Both grants and loans, therefore, increased less than tuition.

Figure 20--Average amount of Stafford Loans and Supplemental Loans to Students (SLS), grants received, and average tuition paid by full-time, full-year undergraduates in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

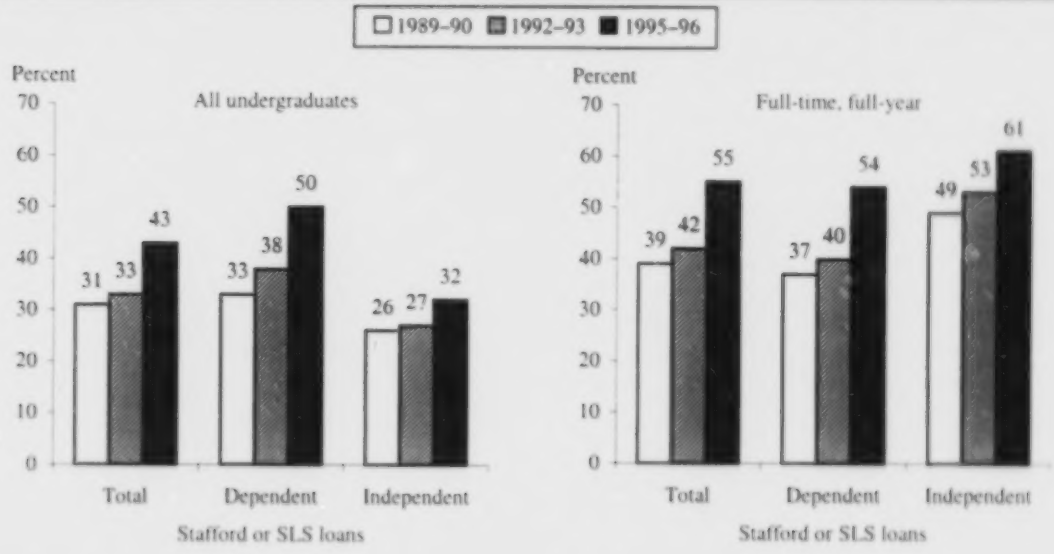


SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

The percentage of full-time, full-year dependent students taking out Stafford/SLS loans remained the same in the three years between 1989–90 to 1992–93 (37 and 40 percent, respectively), and then increased to 54 percent in 1995–96 (figure 21). The average loan amount received by the same group increased in both periods (figure 22). However, the increase was larger during the second period ($800, from $3,000 to $3,800) than during the first period ($400, from $2,600 to $3,000).

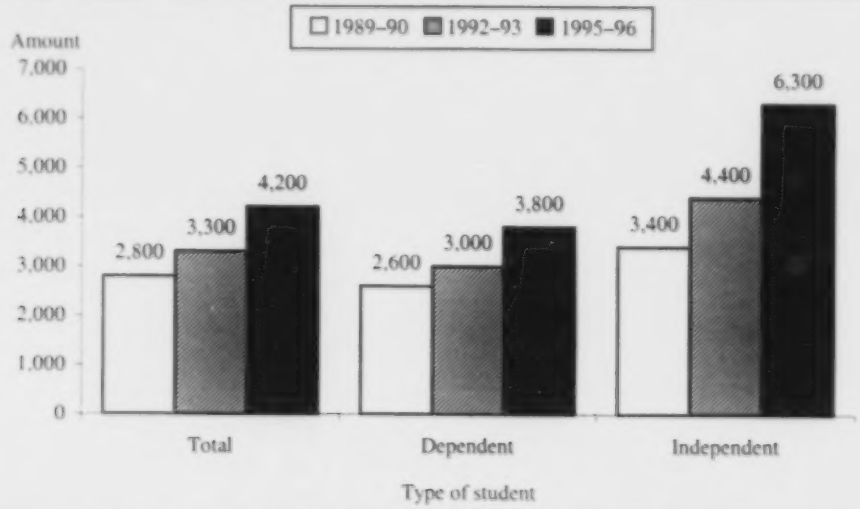
Among independent full-time, full-year undergraduates, there was also an increase in the borrowing rate during the second period (from 53 percent to 61 percent), but not during the first

Figure 21—Percentage of all undergraduates and of full-time, full-year undergraduates receiving federal Stafford Loans or Supplemental Loans to Students (SLS) in 1989–90, 1992–93, and 1995–96 by dependency: Private, not-for-profit 4-year institutions



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Figure 22—Average total Stafford Loans/Supplemental Loans to Students (SLS) received by full-time, full-year undergraduates in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions



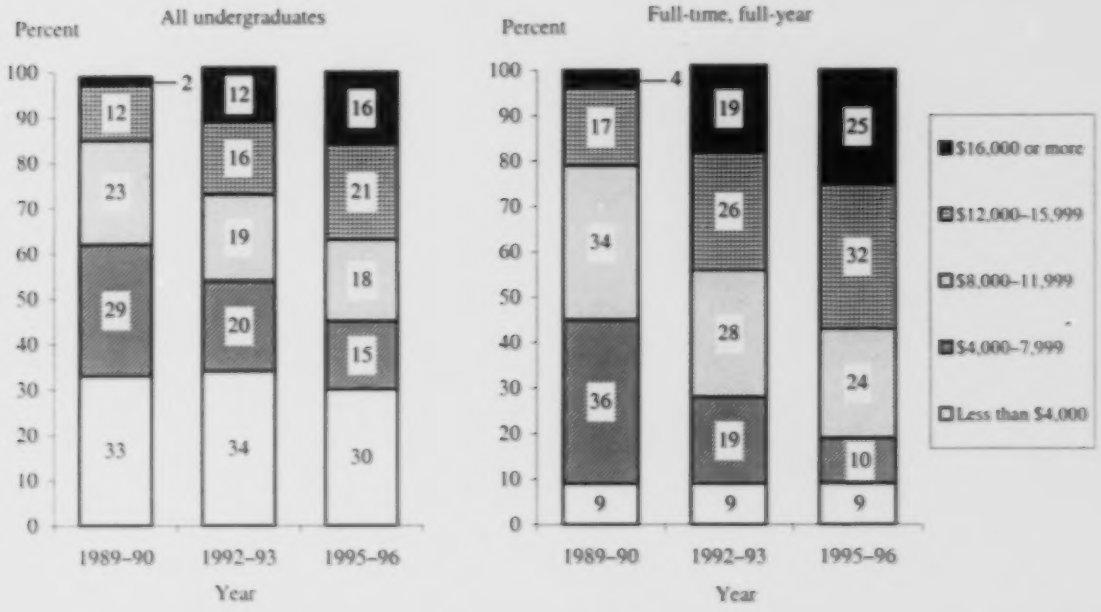
SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

period. Similarly, the average loan amount increased more in the second period (by $1,900), than in the first period ($1,000).

If one looks at the average change in tuition levels, tuition increases in private not-for-profit institutions were higher in the first period than in the second ($2,200 compared with $1,500). Borrowing, on the other hand, increased more in the second period, after the changes in the loan programs went into effect, than in the first.

The change in the distribution of students by tuition levels between 1989–90 and 1995–96 is shown in figure 23. In 1989–90, nearly one-half (45 percent) of the full-time, full-year undergraduates attending private, not-for-profit 4-year institutions were charged less than $8,000 in annual tuition (36 percent were charged $4,000–$7,999 and 9 percent were charged less than $4,000); six years later it had dropped to about one-fifth (10 percent and 9 percent, respectively). Correspondingly, in 1995–96, 25 percent were charged $16,000 or more, compared with 4 percent six years earlier.

Figure 23—Distribution of all undergraduates and full-time, full-year undergraduates by tuition and fees charged in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions



NOTE: Totals may not sum to 100 due to rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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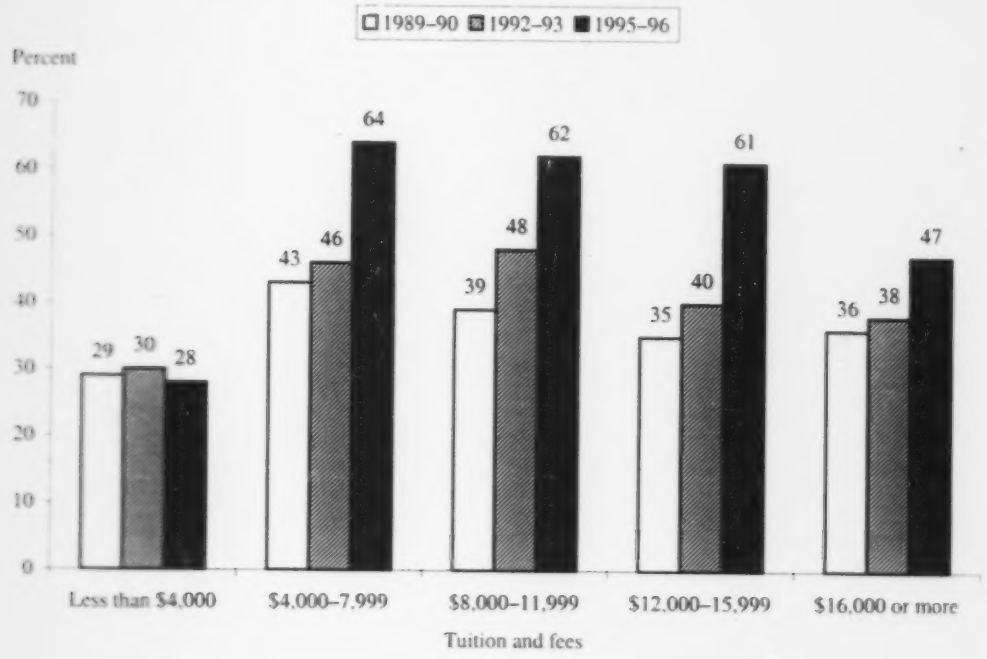
As in the case of the public 4-year institutions, the borrowing rates were not directly related to tuition levels (figure 24). In 1995–96, for example, borrowing rates at all tuition levels between $4,000 and $15,999, were the same (61 to 64 percent). Moreover, those charged the highest tuition ($16,000 or more) were less likely to borrow than those charged between $4,000 and $15,000. Except at the lowest and the highest tuition levels (less than $4,000 and $16,000 or more, respectively), the increase in borrowing was the same over the six-year time period between 1989–90 and 1995–96 (from 21 to 26 percentage points).

Figure 24—Percentage of full-time, full-year undergraduates receiving Stafford Loans or Supplemental Loans to Students (SLS) by tuition and fees charged in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

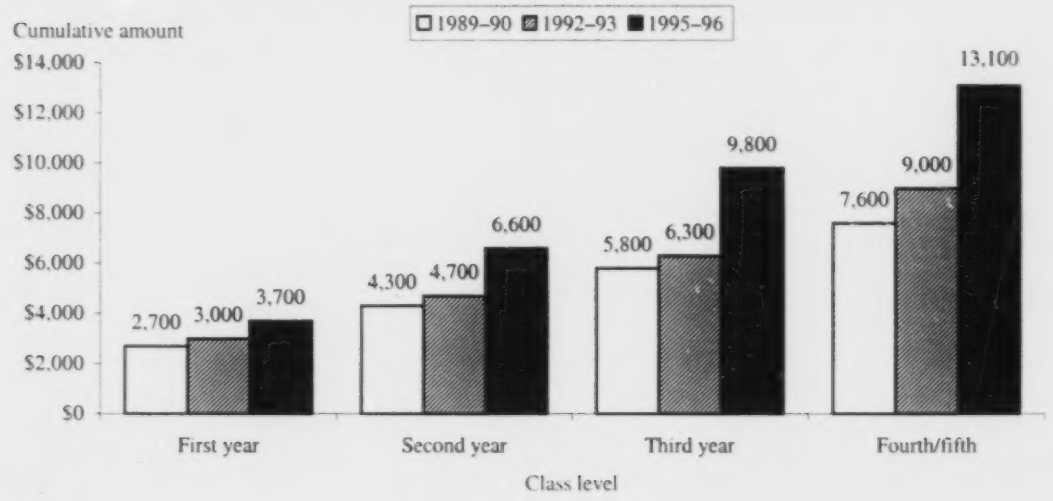


SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

The cumulative Stafford/SLS loan amounts and the percentage of undergraduates who ever received a Stafford/SLS loan by class level in each of the three years under consideration are shown in figure 25. The cumulative amounts borrowed by fourth- and fifth-year undergraduates at private, not-for-profit colleges and universities grew from $7,600 in 1989–90 to $9,000 in

1992–93, and then increased by $4,100 to $13,100 in 1995–96. The cumulative average Stafford/SLS loan amounts of seniors at private, not-for-profit institutions were therefore about $2,000 higher than those of their counterparts at public 4-year institutions in each of the three years (see figure 19).

Figure 25—Cumulative total Stafford/Supplemental Loans to Students (SLS) borrowed by class level in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions



SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Summary and Conclusions

The changes in the federal Stafford loan programs and the federal need analysis methodology that went into effect in 1993 allowed for increased borrowing by dependent undergraduates from middle- and upper-income families, but at a higher price: through unsubsidized loans. The same amounts of low-interest federal loans became available to dependent students whose family incomes were above the median as were available to those with family incomes below the median, but without the in-school interest subsidy afforded the latter. In addition, dependent students benefited from changes in need analysis that expanded the proportion of students who could qualify for subsidized loans.

In 1989–90 about one-fifth (19 percent) of all undergraduates received Stafford/SLS loans and this percentage had not changed in 1992–93. However, during the same time period, students borrowed more, and the average loan amount increased from $2,600 to $3,100. Three years later, when the new loan program rules were in effect, both the percentage of students borrowing (25 percent) *and* the average loan amounts ($3,900) had increased.

The change in borrowing rates for all undergraduates between 1992–93 and 1995–96 was primarily due to increased borrowing by dependent students. Between 1992–93 and 1995–96, there was an increase in the percentage of dependent undergraduates receiving subsidized loans in the two middle income quartiles (incomes ranging from $25,000 to $71,000), and an increase in the percentage receiving unsubsidized loans in the upper middle and highest income quartiles (incomes of $47,000 and above).

For independent students, the total percentage borrowing did not change; however, the percentage borrowing unsubsidized loans (mostly in combination with subsidized loans) increased substantially between 1992–93 and 1995–96. Because of changes in eligibility for loans, the increased borrowing by dependent students might be expected. However, it is less clear why there was such an increase in unsubsidized loan borrowing among independent undergraduates. The increase may be the result of the organizational change in the distribution of loans which provided both subsidized and unsubsidized loans through a single Stafford loan program. The terms and conditions for independent students in the unsubsidized Stafford loan program were essentially the same as those for the SLS loan program that it replaced in 1993–94. However, the process for obtaining an unsubsidized Stafford loan is much easier because it does not involve a separate loan program. In order to obtain a SLS loan, the student had to know that such a

program was available, and to file a separate application. Unsubsidized Stafford loans, on the other hand, are processed as part of a single loan application. The student applies for a Stafford loan, and the institution determines (based on need analysis), the subsidized and the unsubsidized amounts for which the student qualifies. The student then has the choice of borrowing all or part of the subsidized amount and all or part of the unsubsidized amount for which the student qualifies. Unlike the SLS loans, which required a separate effort, Stafford unsubsidized loan eligibility is automatically provided as part of the loan application process.

In any particular year, borrowing rates reflect the differences in the average tuition levels at the public 2-year, public 4-year institutions, and private, not-for-profit 4-year institutions. Students were least likely to borrow at relatively low-tuition community colleges, more likely to borrow at public 4-year institutions where average tuition is about three times higher, and even more likely to borrow at private, not-for-profit 4-year institutions where average tuition is about three times higher than at public 4-year institutions.

Nevertheless, despite relatively large increases in tuition that occurred over the time period studied in this analysis, the relationship between tuition levels and borrowing *within* institution types was not as direct as the general patterns suggest. Within both public 4-year institutions and private, not-for-profit 4-year institutions, the borrowing rates of full-time, full-year undergraduates did not vary directly with tuition levels. In fact, with some exceptions, borrowing increased by about the same rates and by about the same amounts across all tuition levels.

Appendix A—Supplemental Tables

Table 1.1—Percentage of all undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	18.5	$2,579	18.5	$3,087	24.7	$3,922
Type of institution						
Public 4-year	18.7	2,312	23.4	2,927	34.5	4,006
Private, not-for-profit 4-year	30.5	2,746	33.4	3,300	43.3	4,254
Public 2-year	4.4	2,086	5.8	2,587	5.9	2,869
Private, for profit	62.3	2,932	45.8	3,513	53.4	4,045
Undergraduate class level						
1st year/freshman	16.7	2,577	14.4	2,834	19.1	2,935
2nd year/sophomore	16.8	2,245	17.0	2,654	21.9	3,501
3rd year/junior	23.2	2,645	27.7	3,287	41.1	4,805
4th or 5th year senior	23.0	2,843	27.6	3,428	38.7	5,035
Dependency status						
Dependent	18.3	2,246	20.1	2,730	29.4	3,445
Independent	18.7	2,880	17.1	3,473	20.1	4,598
Dependent student income						
Lowest quartile	28.8	2,201	34.1	2,675	33.9	3,303
Second quartile	22.9	2,248	23.8	2,728	34.5	3,501
Third quartile	16.0	2,257	16.0	2,755	29.9	3,441
Highest quartile	6.4	2,397	11.1	2,869	19.6	3,589
Independent student income						
Lowest quartile	32.4	2,811	33.5	3,255	33.2	4,501
Second quartile	23.0	2,904	19.1	3,599	23.8	4,622
Third quartile	13.1	2,949	10.8	3,636	15.7	4,633
Highest quartile	7.2	2,971	6.5	3,898	8.6	4,810
Attendance pattern						
Full-time/full-year	25.3	2,573	30.0	3,199	42.2	4,117
Full-time/part-year	21.6	2,464	27.1	2,722	23.7	3,217
Part-time/full-year	8.3	2,651	11.2	3,158	17.3	3,965
Part-time/part-year	4.4	2,344	7.3	2,975	5.0	3,038
Tuition and fees*						
Less than $1,000	4.8	2,189	5.7	2,659	3.9	2,698
$1,000–1,999	19.6	2,249	18.9	2,770	23.9	3,320
$2,000–3,999	32.9	2,499	30.1	2,950	38.3	4,035
$4,000–7,999	48.4	2,919	41.2	3,367	51.0	4,187
$8,000 or more	41.6	2,960	42.8	3,542	55.4	4,471

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.2—Percentage of all undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	18.1	$2,314	18.3	$2,668	21.7	$3,114
Type of institution						
Public 4-year	18.4	2,212	23.1	2,675	29.7	3,331
Private, not-for-profit 4-year	29.9	2,624	33.1	2,920	38.9	3,565
Public 2-year	4.3	1,943	5.7	2,217	4.9	2,219
Private, for profit	60.8	2,331	45.2	2,657	49.7	2,423
Undergraduate class level						
1st year/freshman	16.3	2,186	14.2	2,345	16.6	2,199
2nd year/sophomore	16.6	2,070	16.8	2,297	19.2	2,790
3rd year/junior	22.9	2,507	27.4	2,966	35.9	3,914
4th or 5th year senior	22.5	2,710	27.2	3,040	34.5	4,132
Dependency status						
Dependent	18.2	2,209	20.0	2,628	24.6	3,073
Independent	18.1	2,411	16.7	2,711	18.8	3,165
Dependent student income						
Lowest quartile	28.8	2,158	34.0	2,562	32.7	3,080
Second quartile	22.8	2,214	23.7	2,620	33.2	3,196
Third quartile	15.9	2,225	16.0	2,687	23.5	2,952
Highest quartile	6.3	2,363	10.9	2,778	9.4	2,936
Independent student income						
Lowest quartile	31.9	2,399	33.2	2,679	32.1	3,261
Second quartile	22.4	2,399	18.7	2,688	23.2	3,126
Third quartile	12.4	2,442	10.3	2,760	14.8	3,060
Highest quartile	6.7	2,452	6.3	2,855	6.3	3,103
Attendance pattern						
Full-time/full-year	25.0	2,405	29.7	2,837	36.8	3,373
Full-time/part-year	21.0	2,090	26.7	2,278	21.5	2,244
Part-time/full-year	8.0	2,358	11.0	2,606	15.4	3,063
Part-time/part-year	4.3	2,045	7.2	2,480	4.4	2,246
Tuition and fees*						
Less than $1,000	4.7	2,034	5.6	2,343	3.3	2,125
$1,000–1,999	19.1	2,119	18.5	2,439	20.4	2,722
$2,000–3,999	32.4	2,271	29.7	2,602	33.6	3,249
$4,000–7,999	47.4	2,470	40.8	2,758	45.1	3,116
$8,000 or more	41.3	2,639	42.5	3,095	49.5	3,612

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.3—Percentage of all undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS) and the average amount borrowed in 1989–90, 1992–93, and 1995–96

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	2.7	$2,485	2.9	$2,941	10.0	$2,925
Type of institution						
Public 4-year	1.1	2,629	2.4	2,760	13.5	2,913
Private, not-for-profit 4-year	2.1	3,080	4.2	3,290	13.9	3,280
Public 2-year	0.4	—	0.8	3,123	2.5	2,421
Private, for profit	19.0	2,393	14.4	2,836	32.4	2,953
Undergraduate class level						
1st year/freshman	3.5	2,356	2.6	2,894	7.6	2,575
2nd year/sophomore	1.6	2,661	2.2	2,891	8.6	2,689
3rd year/junior	1.8	2,686	3.5	2,894	16.8	3,390
4th or 5th year senior	2.0	2,758	4.0	2,979	16.0	3,245
Dependency status						
Dependent	0.5	2,503	0.8	2,843	9.3	2,767
Independent	4.7	2,481	4.8	2,956	10.7	3,058
Dependent student income						
Lowest quartile	0.8	2,223	1.5	2,727	4.4	2,511
Second quartile	0.5	2,423	0.9	2,999	6.6	2,219
Third quartile	0.4	2,826	0.4	3,050	12.7	2,623
Highest quartile	0.2	—	0.5	2,940	13.1	3,283
Independent student income						
Lowest quartile	7.3	2,239	7.6	2,678	15.8	2,826
Second quartile	6.2	2,472	6.0	3,118	12.5	3,015
Third quartile	3.5	2,678	3.5	3,092	8.8	3,133
Highest quartile	2.0	2,998	2.3	3,203	6.2	3,581
Attendance pattern						
Full-time/full-year	2.4	2,667	3.8	3,044	16.0	3,103
Full-time/part-year	4.3	2,371	5.1	2,581	11.5	2,440
Part-time/full-year	1.4	2,638	2.2	3,127	7.4	2,909
Part-time/part-year	0.8	2,154	1.4	2,847	2.4	2,220
Tuition and fees*						
Less than $1,000	0.4	2,503	0.7	2,806	1.5	2,334
$1,000–1,999	1.8	2,510	2.5	2,830	9.6	2,501
$2,000–3,999	4.2	2,369	4.2	2,754	15.8	2,863
$4,000–7,999	11.5	2,407	9.0	2,905	24.4	2,996
$8,000 or more	5.2	3,054	5.9	3,435	19.8	3,477

—Too few cases for a reliable estimate.

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.4—Percentage of full-time, full-year undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS) and the average amount borrowed in 1989–90, 1992–93, and 1995–96: All institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	25.3	$2,573	30.0	$3,199	42.2	$4,117
Type of institution						
Public 4-year	21.9	2,368	28.9	3,014	43.4	4,166
Private, not-for-profit 4-year	38.9	2,759	42.2	3,317	55.1	4,235
Public 2-year	9.3	2,117	10.4	2,421	14.7	3,047
Private, for profit	69.1	3,114	52.0	3,944	65.1	4,677
Undergraduate class level						
1st year/freshman	21.2	2,477	26.0	2,908	39.7	2,960
2nd year/sophomore	24.8	2,255	26.3	2,695	36.4	3,561
3rd year/junior	29.0	2,647	34.4	3,353	51.0	4,946
4th or 5th year senior	30.8	2,950	36.1	3,616	48.3	5,312
Dependency status						
Dependent	21.4	2,316	25.7	2,816	39.8	3,615
Independent	36.5	2,993	40.6	3,805	49.1	5,266
Dependent student income						
Lowest quartile	36.6	2,264	45.0	2,739	46.3	3,493
Second quartile	28.7	2,311	36.5	2,829	48.1	3,682
Third quartile	19.4	2,322	21.6	2,837	40.8	3,611
Highest quartile	7.6	2,480	13.0	2,931	26.2	3,693
Independent student income						
Lowest quartile	39.2	2,922	46.2	3,504	54.6	5,084
Second quartile	39.3	2,992	38.6	4,071	52.1	5,403
Third quartile	34.0	3,108	35.5	4,085	45.3	5,307
Highest quartile	26.2	3,098	30.7	4,340	34.2	5,564
Tuition and fees*						
Less than $1,000	9.8	2,427	9.3	2,703	7.8	2,577
$1,000–1,999	18.5	2,243	21.2	2,866	27.0	3,535
$2,000–3,999	28.0	2,377	30.4	2,988	40.2	4,188
$4,000–7,999	44.0	2,853	41.4	3,402	53.0	4,219
$8,000 or more	39.6	2,900	42.8	3,489	56.4	4,385

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Table 1.5—Percentage of full-time, full-year undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: All institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	25.0	$2,405	29.7	$2,837	36.8	$3,373
Type of institution						
Public 4-year	21.7	2,283	28.6	2,771	36.9	3,502
Private, not-for-profit 4-year	38.6	2,671	42.0	2,983	49.6	3,662
Public 2-year	8.8	1,978	10.1	2,107	12.1	2,312
Private, for profit	67.4	2,474	51.5	3,096	59.5	2,899
Undergraduate class level						
1st year/freshman	20.8	2,205	25.7	2,530	33.9	2,356
2nd year/sophomore	24.4	2,139	26.1	2,407	31.6	2,941
3rd year/junior	28.8	2,542	34.0	3,036	44.6	4,061
4th or 5th year senior	30.3	2,841	35.7	3,232	42.8	4,419
Dependency status						
Dependent	21.2	2,291	25.6	2,741	33.4	3,251
Independent	35.4	2,596	39.8	2,990	46.3	3,621
Dependent student income						
Lowest quartile	36.5	2,236	45.0	2,664	44.8	3,272
Second quartile	28.5	2,287	36.4	2,753	46.7	3,390
Third quartile	19.3	2,294	21.6	2,761	32.3	3,155
Highest quartile	7.5	2,460	12.9	2,869	13.4	2,989
Independent student income						
Lowest quartile	38.7	2,568	45.7	2,901	52.9	3,672
Second quartile	38.0	2,581	37.7	3,028	51.1	3,613
Third quartile	32.8	2,646	34.1	3,121	42.6	3,556
Highest quartile	24.4	2,687	29.7	3,205	24.7	3,514
Tuition and fees*						
Less than $1,000	9.6	2,257	9.0	2,468	6.8	2,131
$1,000–1,999	18.0	2,151	20.7	2,561	22.5	2,923
$2,000–3,999	27.8	2,285	30.1	2,707	35.0	3,456
$4,000–7,999	43.3	2,575	41.2	2,901	45.7	3,297
$8,000 or more	39.3	2,688	42.6	3,110	50.1	3,666

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.6—Percentage of full-time, full-year undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: All institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	2.4	$2,667	3.8	$3,044	16.0	$3,103
Type of institution						
Public 4-year	1.2	2,619	2.8	2,848	17.1	3,029
Private, not-for-profit 4-year	1.8	3,159	4.3	3,438	15.4	3,337
Public 2-year	0.9	—	1.2	—	6.4	2,637
Private, for profit	19.8	2,684	15.5	2,936	38.7	3,413
Undergraduate class level						
1st year/freshman	2.9	2,646	3.5	3,060	14.0	2,687
2nd year/sophomore	1.8	2,661	2.8	2,889	13.0	2,828
3rd year/junior	1.9	2,470	4.0	3,001	20.3	3,507
4th or 5th year senior	2.1	2,823	4.8	3,093	19.9	3,387
Dependency status						
Dependent	0.4	2,707	0.8	2,792	12.1	2,904
Independent	7.8	2,661	11.5	3,086	27.1	3,355
Dependent student income						
Lowest quartile	0.6	2,656	1.4	2,546	5.5	2,718
Second quartile	0.6	—	1.1	2,788	8.2	2,277
Third quartile	0.4	—	0.5	3,075	16.6	2,741
Highest quartile	0.1	—	0.4	—	16.8	3,377
Independent student income						
Lowest quartile	7.1	2,415	10.6	2,796	27.3	3,043
Second quartile	9.9	2,522	13.0	3,285	28.7	3,377
Third quartile	7.0	3,010	12.0	3,233	25.3	3,508
Highest quartile	6.7	3,340	11.2	3,394	26.1	3,972
Tuition and fees*						
Less than $1,000	0.9	—	1.0	—	2.5	—
$1,000–1,999	1.4	2,441	2.5	3,093	10.4	2,845
$2,000–3,999	1.5	2,655	3.3	2,819	15.9	2,991
$4,000–7,999	5.9	2,759	7.3	2,926	23.6	3,085
$8,000 or more	3.4	3,098	5.0	3,405	18.4	3,460

—Too few cases for a reliable estimate.

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.7—Percentage of undergraduates with subsidized Stafford loans and percentage of undergraduates with any Stafford Loans or Supplemental Loans to Students (SLS) who borrowed the maximum annual amounts in 1989–90, 1992–93, and 1995–96: All institutions

	Percentage who borrowed maximum subsidized amount			Percentage who borrowed maximum total amount		
	1989–90	1992–93	1995–96	1989–90	1992–93	1995–96
Total	42.0	50.6	46.9	17.8	30.2	38.9
Type of institution						
Public 4-year	23.7	40.9	41.1	12.1	24.8	36.6
Private, not-for-profit 4-year	42.5	58.8	60.6	29.9	45.2	56.6
Public 2-year	34.6	41.6	41.4	7.2	16.5	22.5
Private, for profit	64.9	65.8	45.3	18.6	31.6	31.3
Undergraduate class level						
1st year/freshman	53.7	59.7	58.8	20.3	35.3	48.4
2nd year/sophomore	42.8	57.6	46.1	22.8	36.4	39.8
3rd year/junior	21.7	35.9	33.9	10.7	22.3	32.0
4th or 5th year senior	27.9	41.3	43.7	11.9	22.8	32.7
Dependency status						
Dependent	34.1	49.3	47.3	33.9	49.1	57.5
Independent	49.3	51.9	46.3	3.4	9.8	12.6
Dependent student income						
Lowest quartile	33.3	47.2	46.5	33.2	47.1	49.6
Second quartile	35.6	48.6	51.3	35.3	48.5	56.8
Third quartile	33.7	52.0	43.9	33.5	51.9	59.0
Highest quartile	33.1	53.7	45.2	32.6	53.1	69.2
Independent student income						
Lowest quartile	48.2	49.1	49.3	2.7	6.7	10.3
Second quartile	49.7	52.3	47.6	3.5	12.3	14.7
Third quartile	50.6	57.1	41.8	4.4	11.9	13.1
Highest quartile	50.1	56.3	38.2	4.5	14.4	14.4
Attendance pattern						
Full-time/full-year	38.4	54.7	54.0	21.9	36.5	48.9
Full-time/part-year	43.3	42.3	29.4	14.5	19.6	20.3
Part-time/full-year	42.1	47.3	40.8	10.6	21.6	22.2
Part-time/part-year	40.0	46.3	23.9	11.1	26.7	11.3
Tuition and fees*						
Less than $1,000	28.6	40.5	29.5	7.5	18.6	12.8
$1,000–1,999	26.5	37.1	33.7	8.1	16.2	23.0
$2,000–3,999	39.5	44.8	41.5	14.1	24.1	32.8
$4,000–7,999	58.2	61.6	50.3	24.0	33.8	41.7
$8,000 or more	51.4	66.2	65.3	35.5	55.5	64.5

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 1.8—Percentage of all undergraduates in 1989–90, 1992–93, and 1995–96 who had ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: All institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	26.7	$4,291	27.6	$5,043	36.0	$7,014
Type of institution						
Public 4-year	28.5	4,473	32.6	5,377	45.4	7,814
Private, not-for-profit 4-year	39.1	5,270	41.8	6,225	52.1	8,472
Public 2-year	11.7	3,359	15.5	3,849	18.7	4,692
Private, for profit	69.5	3,936	52.5	4,683	62.2	6,139
Undergraduate class level						
1st year/freshman	22.2	3,142	22.0	3,359	28.6	4,052
2nd year/sophomore	25.3	3,977	26.4	4,132	34.8	5,947
3rd year/junior	34.1	4,925	37.1	5,640	51.0	8,984
4th or 5th year senior	39.0	6,440	40.3	7,613	52.6	11,690
Dependency status						
Dependent	25.0	4,028	25.6	4,553	35.8	6,236
Independent	28.4	4,508	29.4	5,436	36.2	7,758
Dependent student income						
Lowest quartile	36.6	3,955	41.5	4,461	41.3	6,021
Second quartile	30.2	4,056	30.0	4,624	40.4	6,540
Third quartile	23.0	4,051	21.4	4,501	36.0	6,205
Highest quartile	11.2	4,126	14.6	4,765	25.4	6,130
Independent student income						
Lowest quartile	44.1	4,642	45.5	5,665	46.9	8,683
Second quartile	33.9	4,456	34.3	5,398	40.7	7,665
Third quartile	22.2	4,495	24.2	5,240	33.6	7,318
Highest quartile	14.7	4,266	15.1	5,213	24.5	6,878
Attendance pattern						
Full-time/full-year	31.8	4,541	35.5	5,392	48.1	7,467
Full-time/part-year	32.2	3,958	36.2	4,355	35.9	5,697
Part-time/full-year	16.9	4,278	21.0	4,974	29.8	7,347
Part-time/part-year	14.1	3,904	20.2	4,853	23.0	6,131
Tuition and fees*						
Less than $1,000	13.3	3,832	16.9	4,265	19.1	5,225
$1,000–1,999	28.9	4,095	27.5	4,902	35.5	6,306
$2,000–3,999	41.4	4,271	38.3	5,243	47.3	7,779
$4,000–7,999	55.1	4,533	47.6	5,293	58.2	7,631
$8,000 or more	47.7	5,240	46.1	6,198	58.7	8,448

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Table 2.1—Percentage of all undergraduates who received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	18.7	$2,312	23.4	$2,927	34.5	$4,006
Undergraduate class level						
1st year/freshman	14.3	1,941	19.2	2,319	33.9	2,619
2nd year/sophomore	19.2	1,981	22.7	2,491	31.7	3,415
3rd year/junior	19.4	2,371	25.0	3,083	37.3	4,460
4th or 5th year senior	21.4	2,641	25.7	3,192	36.2	4,834
Dependency status						
Dependent	16.9	2,036	21.6	2,586	35.3	3,505
Independent	21.8	2,686	26.3	3,397	33.2	4,915
Dependent student income						
Lowest quartile	29.9	2,003	42.0	2,589	44.6	3,325
Second quartile	23.4	2,046	33.1	2,580	45.9	3,599
Third quartile	12.6	2,074	15.6	2,509	33.9	3,488
Highest quartile	5.1	2,047	7.9	2,690	20.1	3,666
Independent student income						
Lowest quartile	32.3	2,722	44.0	3,369	52.8	4,808
Second quartile	25.1	2,615	27.3	3,385	39.4	5,086
Third quartile	16.2	2,740	15.2	3,536	25.8	4,830
Highest quartile	8.8	2,647	9.1	3,420	11.7	5,022
Attendance pattern						
Full-time/full-year	21.9	2,368	28.9	3,014	43.4	4,166
Full-time/part-year	15.8	1,929	25.0	2,378	31.2	2,854
Part-time/full-year	11.8	2,458	17.1	3,031	28.3	4,242
Part-time/part-year	4.5	2,075	11.8	2,820	9.7	3,092
Tuition and fees*						
Less than $2,000	15.4	2,258	18.5	2,806	22.6	3,447
$2,000–2,999	26.3	2,328	29.5	2,940	41.2	4,276
$3,000–3,999	27.2	2,318	32.3	3,089	46.5	4,202
$4,000–4,999	29.1	2,517	32.8	2,971	47.5	4,294
$5,000 or more	22.5	2,762	25.2	3,234	41.5	4,130

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.2—Percentage of all undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	18.4	$2,212	23.1	$2,675	29.7	$3,331
Undergraduate class level						
1st year/freshman	14.2	1,875	19.0	2,157	27.7	2,219
2nd year/sophomore	18.9	1,903	22.5	2,269	27.8	2,864
3rd year/junior	19.3	2,245	24.7	2,836	31.8	3,661
4th or 5th year senior	21.1	2,532	25.3	2,913	32.2	3,963
Dependency status						
Dependent	16.9	2,018	21.5	2,522	28.8	3,077
Independent	21.3	2,480	25.6	2,891	31.3	3,728
Dependent student income						
Lowest quartile	29.9	1,991	41.9	2,518	43.1	3,174
Second quartile	23.3	2,035	33.0	2,514	44.1	3,286
Third quartile	12.5	2,044	15.5	2,472	25.8	2,753
Highest quartile	5.0	2,012	7.8	2,622	7.0	2,634
Independent student income						
Lowest quartile	31.9	2,487	43.2	2,892	50.3	3,833
Second quartile	24.4	2,427	26.4	2,809	38.8	3,827
Third quartile	15.5	2,583	14.8	3,029	24.4	3,455
Highest quartile	8.7	2,439	8.8	2,965	8.7	3,300
Attendance pattern						
Full-time/full-year	21.7	2,283	28.6	2,771	36.9	3,502
Full-time/part-year	15.6	1,829	24.5	2,204	26.5	2,339
Part-time/full-year	11.5	2,309	16.9	2,724	25.7	3,442
Part-time/part-year	4.5	2,063	11.6	2,478	8.8	2,516
Tuition and fees*						
Less than $2,000	15.1	2,152	18.2	2,530	19.6	2,870
$2,000–2,999	26.2	2,232	29.1	2,704	36.1	3,575
$3,000–3,999	27.2	2,295	32.2	2,819	39.9	3,445
$4,000–4,999	29.1	2,403	32.6	2,830	41.4	3,535
$5,000 or more	22.2	2,647	24.9	2,978	33.5	3,542

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.3—Percentage of all undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	1.1	$2,629	2.4	$2,760	13.5	$2,913
Undergraduate class level						
1st year/freshman	0.4	—	1.3	2,730	11.3	2,421
2nd year/sophomore	0.8	—	2.0	2,716	11.0	2,635
3rd year/junior	1.4	2,469	2.6	2,787	15.7	3,183
4th or 5th year senior	1.6	2,541	3.1	2,711	15.6	3,045
Dependency status						
Dependent	0.2	—	0.6	2,578	12.6	2,801
Independent	2.7	2,591	5.4	2,796	15.1	3,071
Dependent student income						
Lowest quartile	0.3	—	1.4	2,358	4.9	2,343
Second quartile	0.1	—	0.8	—	9.8	2,041
Third quartile	0.2	—	0.3	—	17.4	2,723
Highest quartile	0.1	—	0.4	—	16.3	3,399
Independent student income						
Lowest quartile	4.1	2,252	8.9	2,588	22.6	2,697
Second quartile	3.1	2,789	5.8	3,112	16.1	3,237
Third quartile	2.1	—	3.1	2,856	13.0	3,096
Highest quartile	1.0	—	1.8	2,934	7.7	3,892
Attendance pattern						
Full-time/full-year	1.2	2,619	2.8	2,848	17.1	3,029
Full-time/part-year	0.7	—	2.5	2,218	12.7	2,127
Part-time/full-year	1.1	—	2.0	2,896	10.4	3,025
Part-time/part-year	0.2	—	1.7	2,609	3.7	2,124
Tuition and fees*						
Less than $2,000	1.1	2,583	2.1	2,732	8.3	2,610
$2,000–2,999	1.3	2,649	2.9	2,761	15.6	3,023
$3,000–3,999	0.4	—	3.2	2,824	20.1	2,880
$4,000–4,999	1.2	—	2.3	2,252	18.4	3,136
$5,000 or more	0.8	—	2.3	3,121	17.2	3,070

—Too few cases for a reliable estimate.

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.4—Percentage of full-time, full-year undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	21.9	$2,368	28.9	$3,014	43.4	$4,166
Undergraduate class level						
1st year/freshman	16.9	2,022	24.7	2,327	43.2	2,711
2nd year/sophomore	20.3	2,037	25.9	2,588	38.5	3,468
3rd year/junior	22.5	2,372	29.5	3,152	45.3	4,644
4th or 5th year senior	27.3	2,755	32.7	3,388	45.1	5,148
Dependency status						
Dependent	17.9	2,104	23.7	2,661	39.3	3,662
Independent	36.0	2,838	47.2	3,633	59.7	5,473
Dependent student income						
Lowest quartile	35.7	2,081	46.1	2,651	48.8	3,458
Second quartile	26.1	2,117	37.9	2,645	51.5	3,792
Third quartile	13.1	2,102	18.9	2,615	38.3	3,642
Highest quartile	5.6	2,149	8.4	2,800	22.9	3,774
Independent student income						
Lowest quartile	37.2	2,837	53.9	3,504	68.0	5,152
Second quartile	40.4	2,796	44.7	3,791	63.0	5,829
Third quartile	31.6	2,965	38.4	3,829	50.3	5,630
Highest quartile	24.8	2,812	31.4	3,739	37.7	5,761
Tuition and fees*						
Less than $2,000	19.1	2,324	25.9	2,968	36.9	3,772
$2,000–2,999	25.8	2,315	30.8	2,935	42.7	4,357
$3,000–3,999	26.4	2,366	33.1	3,111	47.4	4,177
$4,000–4,999	27.6	2,648	33.8	2,994	48.6	4,282
$5,000 or more	22.4	2,819	25.0	3,276	43.1	4,104

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Table 2.5—Percentage of full-time, full-year undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	21.7	$2,283	28.6	$2,771	36.9	$3,502
Undergraduate class level						
1st year/freshman	16.8	1,946	24.5	2,231	34.4	2,345
2nd year/sophomore	20.0	1,992	25.7	2,359	33.3	2,990
3rd year/junior	22.4	2,262	29.1	2,900	38.5	3,806
4th or 5th year senior	27.0	2,652	32.3	3,090	39.5	4,256
Dependency status						
Dependent	17.9	2,089	23.6	2,602	31.9	3,240
Independent	35.2	2,634	46.1	3,073	56.5	4,083
Dependent student income						
Lowest quartile	35.7	2,063	46.0	2,590	47.2	3,285
Second quartile	26.1	2,107	37.9	2,588	50.2	3,474
Third quartile	13.0	2,083	18.9	2,566	28.5	2,974
Highest quartile	5.5	2,129	8.2	2,734	8.2	2,727
Independent student income						
Lowest quartile	36.7	2,574	53.1	3,017	65.0	4,068
Second quartile	39.2	2,616	43.2	3,098	62.3	4,244
Third quartile	30.4	2,800	37.4	3,262	48.0	3,963
Highest quartile	24.8	2,792	30.1	3,131	27.3	3,662
Tuition and fees*						
Less than $2,000	18.8	2,226	25.5	2,695	30.8	3,183
$2,000–2,999	25.7	2,240	30.5	2,716	37.2	3,651
$3,000–3,999	26.4	2,355	33.0	2,840	40.8	3,435
$4,000–4,999	27.6	2,532	33.7	2,849	42.1	3,586
$5,000 or more	22.1	2,675	24.8	2,996	34.2	3,558

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.6—Percentage of full-time, full-year undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	1.2	$2,619	2.8	$2,848	17.1	$3,029
Undergraduate class level						
1st year/freshman	0.5	—	1.1	—	14.8	2,480
2nd year/sophomore	0.7	—	2.3	2,880	12.4	2,740
3rd year/junior	1.5	—	3.1	2,769	19.0	3,346
4th or 5th year senior	1.9	2,574	3.8	2,884	20.2	3,159
Dependency status						
Dependent	0.2	—	0.6	2,578	14.0	2,906
Independent	4.7	2,579	10.2	2,907	29.4	3,259
Dependent student income						
Lowest quartile	0.5	—	1.3	—	5.5	2,425
Second quartile	0.1	—	0.8	—	9.9	2,118
Third quartile	0.2	—	0.3	—	19.6	2,783
Highest quartile	0.1	—	0.4	—	18.3	3,497
Independent student income						
Lowest quartile	5.1	2,382	10.7	2,678	30.7	2,805
Second quartile	5.8	—	11.0	3,223	28.9	3,558
Third quartile	3.4	—	8.8	2,822	27.6	3,370
Highest quartile	1.6	—	6.8	—	29.0	4,034
Tuition and fees*						
Less than $2,000	1.3	2,519	2.8	2,963	13.2	3,099
$2,000–2,999	1.0	—	2.8	2,732	16.0	3,113
$3,000–3,999	0.4	—	3.3	2,830	20.5	2,828
$4,000–4,999	1.2	—	2.2	—	18.2	3,137
$5,000 or more	1.0	—	2.4	3,140	18.2	3,037

—Too few cases for a reliable estimate.

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.7—Percentage of undergraduates with subsidized Stafford loans and percentage of undergraduates with any Stafford Loans or Supplemental Loans to Students (SLS) who borrowed the maximum annual amounts in 1989–90, 1992–93, and 1995–96: Public 4-year institutions

	Percentage who borrowed maximum subsidized amount			Percentage who borrowed maximum total amount		
	1989–90	1992–93	1995–96	1989–90	1992–93	1995–96
Total	23.7	40.9	41.1	12.1	24.8	36.6
Undergraduate class level						
1st year/freshman	27.5	49.9	58.8	20.3	36.7	57.7
2nd year/sophomore	32.1	53.4	47.0	20.8	38.4	45.1
3rd year/junior	14.0	29.5	26.5	4.5	16.1	25.3
4th or 5th year senior	21.8	34.9	37.1	6.6	16.2	26.9
Dependency status						
Dependent	20.3	39.5	39.1	20.2	39.3	52.8
Independent	28.3	42.8	44.2	1.1	4.9	7.2
Dependent student income						
Lowest quartile	16.4	36.1	40.8	16.4	36.0	43.7
Second quartile	22.9	40.8	43.7	22.9	40.7	50.8
Third quartile	22.6	40.2	31.9	22.4	40.1	56.3
Highest quartile	21.8	45.6	31.8	21.4	44.8	66.8
Independent student income						
Lowest quartile	27.2	41.2	47.2	0.9	4.1	4.5
Second quartile	26.5	41.1	48.1	0.3	5.2	10.2
Third quartile	32.3	53.4	35.6	1.6	7.7	8.3
Highest quartile	33.3	43.1	28.2	3.5	4.0	8.7
Attendance pattern						
Full-time/full-year	24.1	44.4	47.3	13.9	28.7	45.1
Full-time/part-year	16.5	23.7	16.4	7.8	13.6	12.1
Part-time/full-year	27.2	42.6	36.1	9.2	19.2	20.6
Part-time/part-year	19.3	33.5	20.6	1.5	20.3	6.6
Tuition and fees*						
Less than $2,000	20.6	35.4	29.1	7.5	17.5	21.4
$2,000–2,999	23.7	40.3	42.8	13.2	24.1	34.0
$3,000–3,999	28.7	48.8	44.4	20.2	33.0	40.3
$4,000–4,999	36.2	48.0	49.1	28.3	35.9	47.8
$5,000 or more	45.0	53.4	53.6	37.5	44.2	58.6

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 2.8—Percentage of all undergraduates attending in 1989–90, 1992–93, and 1995–96 who had ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	28.5	$4,473	32.6	$5,377	45.4	$7,814
Undergraduate class level						
1st year/freshman	18.2	2,473	24.5	2,858	39.5	3,386
2nd year/sophomore	26.3	3,531	30.8	3,910	42.0	5,546
3rd year/junior	30.3	4,366	34.2	5,237	47.6	8,146
4th or 5th year senior	38.5	5,848	38.4	6,994	50.6	10,976
Dependency status						
Dependent	24.6	3,872	28.1	4,489	42.4	6,499
Independent	35.6	5,201	40.1	6,421	50.5	9,691
Dependent student income						
Lowest quartile	38.4	4,083	50.6	4,691	51.9	6,343
Second quartile	32.5	3,828	41.7	4,473	52.6	7,045
Third quartile	20.7	3,701	21.2	4,173	42.3	6,235
Highest quartile	10.4	3,719	12.0	4,326	26.0	6,210
Independent student income						
Lowest quartile	47.1	5,688	55.8	7,027	66.5	11,103
Second quartile	40.9	5,062	43.6	5,983	58.0	9,426
Third quartile	28.1	4,944	31.0	6,059	43.9	8,799
Highest quartile	20.7	4,321	20.0	5,759	30.9	7,976
Attendance pattern						
Full-time/full-year	29.5	4,371	34.6	5,387	49.5	7,810
Full-time/part-year	29.8	4,272	36.3	5,000	43.8	6,557
Part-time/full-year	23.1	4,761	28.6	5,551	42.2	8,767
Part-time/part-year	20.0	4,699	28.7	5,441	34.2	7,329
Tuition and fees*						
Less than $2,000	26.2	4,393	29.9	5,244	38.8	7,048
$2,000–2,999	34.9	4,557	36.7	5,468	48.8	8,409
$3,000–3,999	34.8	4,446	38.0	5,692	53.8	8,313
$4,000–4,999	34.4	4,919	40.3	5,404	54.3	8,100
$5,000 or more	27.1	5,158	28.9	5,516	46.2	7,959

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Table 2.9—Percentage of 4th or 5th year seniors in 1989–90, 1992–93, and 1995–96 who had ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: Public 4-year institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	38.5	$5,848	38.4	$6,994	50.6	$10,976
Dependency status						
Dependent	33.9	5,417	31.1	6,209	44.1	10,078
Independent	42.7	6,150	46.5	7,573	57.4	11,677
Dependent student income						
Lowest quartile	56.2	5,678	63.2	6,562	57.9	10,198
Second quartile	42.1	5,866	44.8	6,419	57.1	11,140
Third quartile	29.1	4,980	23.6	5,686	46.2	9,494
Highest quartile	16.7	4,605	13.8	5,485	24.2	9,172
Independent student income						
Lowest quartile	54.8	6,914	61.4	8,374	74.0	12,834
Second quartile	49.0	5,914	47.5	6,841	61.8	11,765
Third quartile	35.3	5,789	39.1	7,048	49.5	11,223
Highest quartile	24.1	4,613	24.3	6,910	36.2	8,763
Attendance pattern						
Full-time/full-year	41.8	5,793	40.6	7,232	53.8	11,445
Full-time/part-year	36.7	5,643	43.4	6,892	49.6	10,253
Part-time/full-year	28.6	5,835	34.4	6,885	47.6	10,873
Part-time/part-year	28.8	5,401	34.0	6,415	41.7	9,131
Tuition and fees*						
Less than $2,000	36.5	5,613	35.9	6,666	45.8	9,610
$2,000–2,999	46.9	6,154	43.1	7,175	52.8	11,306
$3,000–3,999	36.3	6,410	40.8	7,727	59.6	12,266
$4,000–4,999	52.4	7,394	45.9	7,963	56.4	11,524
$5,000 or more	34.9	6,731	33.4	7,373	44.3	12,366

*Tuition amounts for students in public 4-year institutions include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.1—Percentage of all undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	30.5	$2,746	33.4	$3,300	43.3	$4,254
Undergraduate class level						
1st year/freshman	25.0	2,335	30.5	2,635	42.3	2,863
2nd year/sophomore	34.0	2,399	32.1	2,696	44.3	3,700
3rd year/junior	32.8	2,993	37.0	3,500	47.6	5,096
4th or 5th year senior	31.8	3,181	35.2	3,834	42.3	5,401
Dependency status						
Dependent	33.2	2,549	37.7	2,914	49.5	3,747
Independent	25.7	3,230	26.8	4,144	31.9	5,689
Dependent student income						
Lowest quartile	43.7	2,510	56.3	2,806	56.9	3,714
Second quartile	48.1	2,577	58.1	2,940	63.1	3,824
Third quartile	37.4	2,515	41.7	2,973	53.2	3,779
Highest quartile	14.0	2,647	21.2	2,982	32.5	3,646
Independent student income						
Lowest quartile	40.2	3,172	47.2	3,832	50.1	5,821
Second quartile	32.8	3,274	29.2	4,571	36.8	5,542
Third quartile	20.5	3,246	19.7	4,113	31.9	5,634
Highest quartile	13.2	3,271	13.9	4,406	16.1	5,698
Attendance pattern						
Full-time/full-year	38.9	2,759	42.2	3,317	55.1	4,235
Full-time/part-year	27.4	2,405	37.2	2,886	36.4	3,651
Part-time/full-year	14.7	2,992	21.0	3,665	27.2	5,299
Part-time/part-year	5.4	2,426	12.0	3,137	12.6	3,574
Tuition and fees						
Less than $4,000	14.5	2,567	16.3	3,153	16.6	3,543
$4,000–7,999	40.7	2,782	41.3	3,313	51.5	4,383
$8,000–11,999	38.5	2,752	46.9	3,528	57.7	4,586
$12,000–15,999	34.8	2,839	39.5	3,262	59.8	4,272
$16,000 or more	36.6	2,696	39.0	3,053	46.5	4,164

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.2—Percentage of all undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	29.9	$2,624	33.1	$2,920	38.9	$3,565
Undergraduate class level						
1st year/freshman	24.8	2,261	30.4	2,419	37.3	2,431
2nd year/sophomore	33.6	2,260	31.7	2,411	39.5	3,122
3rd year/junior	32.2	2,896	36.4	3,156	43.4	4,247
4th or 5th year senior	30.8	3,036	35.0	3,315	38.5	4,456
Dependency status						
Dependent	33.0	2,530	37.7	2,839	43.8	3,443
Independent	24.4	2,865	26.0	3,103	29.8	3,894
Dependent student income						
Lowest quartile	43.5	2,499	56.3	2,719	55.3	3,432
Second quartile	48.1	2,562	58.0	2,873	61.9	3,572
Third quartile	37.2	2,489	41.7	2,912	48.1	3,419
Highest quartile	13.8	2,616	21.1	2,905	20.6	3,246
Independent student income						
Lowest quartile	39.3	2,871	46.5	3,025	49.1	4,038
Second quartile	32.3	2,901	28.6	3,177	35.8	3,795
Third quartile	18.7	2,797	18.4	3,101	30.3	3,825
Highest quartile	11.6	2,861	13.5	3,219	12.3	3,806
Attendance pattern						
Full-time/full-year	38.6	2,671	42.0	2,983	49.6	3,662
Full-time/part-year	26.9	2,260	37.0	2,599	33.4	2,815
Part-time/full-year	13.8	2,698	20.6	2,980	24.6	3,899
Part-time/part-year	5.2	2,242	11.0	2,598	11.2	2,550
Tuition and fees						
Less than $4,000	13.8	2,356	15.9	2,657	14.9	2,837
$4,000–7,999	39.8	2,641	40.8	2,842	46.7	3,323
$8,000–11,999	38.2	2,677	46.6	3,061	51.2	3,789
$12,000–15,999	34.8	2,734	39.4	3,027	53.7	3,690
$16,000 or more	36.6	2,686	38.9	2,946	43.1	3,792

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.3—Percentage of all undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	2.1	$3,080	4.2	$3,290	13.9	$3,280
Undergraduate class level						
1st year/freshman	1.1	2,938	2.1	3,213	11.6	2,639
2nd year/sophomore	2.0	3,123	3.2	3,133	13.6	3,005
3rd year/junior	2.2	2,897	4.5	3,236	16.1	3,616
4th or 5th year senior	2.8	3,219	5.8	3,327	15.4	3,668
Dependency status						
Dependent	0.5	2,827	1.0	2,960	11.4	3,021
Independent	5.0	3,135	9.0	3,349	18.2	3,576
Dependent student income						
Lowest quartile	0.5	—	1.8	—	6.9	3,139
Second quartile	0.5	—	1.5	—	7.4	2,702
Third quartile	0.7	—	0.8	—	13.0	2,808
Highest quartile	0.4	—	0.6	—	16.0	3,218
Independent student income						
Lowest quartile	6.2	3,058	13.2	3,031	27.1	3,450
Second quartile	5.9	3,161	12.2	3,477	19.5	3,480
Third quartile	5.3	3,110	6.9	3,493	17.9	3,560
Highest quartile	3.4	3,241	4.8	3,663	11.6	3,904
Attendance pattern						
Full-time/full-year	1.8	3,159	4.3	3,438	15.4	3,337
Full-time/part-year	2.4	2,906	4.3	2,601	13.8	2,818
Part-time/full-year	2.4	3,215	4.6	3,438	13.2	3,640
Part-time/part-year	0.6	—	3.1	2,886	6.7	2,502
Tuition and fees						
Less than $4,000	1.8	3,085	3.0	2,974	6.0	2,730
$4,000–7,999	3.3	3,066	6.5	3,242	22.1	3,182
$8,000–11,999	1.6	2,987	6.3	3,627	20.3	3,462
$12,000–15,999	1.3	3,324	3.0	3,197	16.8	3,420
$16,000 or more	0.4	—	1.3	—	9.0	3,368

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.4—Percentage of full-time, full-year undergraduates who borrowed any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	38.9	$2,759	42.2	$3,317	55.1	$4,235
Undergraduate class level						
1st year/freshman	34.7	2,362	40.3	2,632	57.7	2,834
2nd year/sophomore	39.7	2,403	36.9	2,647	52.9	3,658
3rd year/junior	40.8	3,032	45.9	3,543	56.9	5,045
4th or 5th year senior	41.4	3,220	44.0	3,946	52.3	5,581
Dependency status						
Dependent	36.7	2,592	39.6	2,959	54.0	3,797
Independent	50.3	3,384	53.6	4,442	60.8	6,270
Dependent student income						
Lowest quartile	57.4	2,594	62.3	2,841	62.0	3,851
Second quartile	55.3	2,606	61.7	2,988	67.0	3,817
Third quartile	41.8	2,555	45.8	3,029	59.6	3,809
Highest quartile	14.1	2,632	21.7	3,009	35.8	3,697
Independent student income						
Lowest quartile	50.6	3,287	58.6	4,001	69.0	6,136
Second quartile	54.2	3,437	53.9	4,781	57.2	6,327
Third quartile	51.3	3,529	45.8	4,761	60.2	6,195
Highest quartile	42.5	3,413	47.5	5,205	45.7	6,827
Tuition and fees						
Less than $4,000	29.4	2,771	30.1	3,491	28.0	3,513
$4,000–7,999	43.2	2,727	46.2	3,294	63.6	4,228
$8,000–11,999	39.4	2,764	48.4	3,471	61.6	4,490
$12,000–15,999	34.8	2,822	40.2	3,273	61.3	4,205
$16,000 or more	36.4	2,750	37.9	3,063	47.2	4,132

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.5—Percentage of full-time, full-year undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	38.6	$2,671	42.0	$2,983	49.6	$3,662
Undergraduate class level						
1st year/freshman	34.5	2,313	40.3	2,457	50.8	2,519
2nd year/sophomore	39.5	2,304	36.7	2,466	48.1	3,174
3rd year/junior	40.5	2,952	45.6	3,205	51.7	4,329
4th or 5th year senior	40.5	3,112	43.7	3,475	47.9	4,715
Dependency status						
Dependent	36.6	2,576	39.5	2,891	48.0	3,509
Independent	48.6	3,038	52.8	3,278	58.0	4,323
Dependent student income						
Lowest quartile	57.2	2,582	62.3	2,777	59.9	3,584
Second quartile	55.3	2,600	61.5	2,920	65.9	3,598
Third quartile	41.6	2,525	45.8	2,955	53.9	3,482
Highest quartile	14.0	2,621	21.7	2,945	23.9	3,269
Independent student income						
Lowest quartile	49.2	3,052	57.9	3,167	67.4	4,272
Second quartile	53.4	3,050	53.2	3,254	56.8	4,305
Third quartile	47.9	3,053	44.2	3,517	57.9	4,434
Highest quartile	40.1	2,951	47.5	3,477	36.0	4,354
Tuition and fees						
Less than $4,000	28.5	2,599	29.6	2,962	26.0	3,194
$4,000–7,999	42.4	2,627	46.0	2,864	56.7	3,353
$8,000–11,999	39.2	2,699	48.2	3,046	54.5	3,787
$12,000–15,999	34.8	2,733	40.2	3,034	55.0	3,657
$16,000 or more	36.4	2,739	37.8	2,948	43.8	3,786

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.6—Percentage of full-time, full-year undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	1.8	$3,159	4.3	$3,438	15.4	$3,337
Undergraduate class level						
1st year/freshman	1.1	2,896	2.6	3,507	13.7	2,619
2nd year/sophomore	1.5	3,297	2.3	—	13.4	3,034
3rd year/junior	2.0	2,939	4.9	3,421	17.6	3,609
4th or 5th year senior	2.5	3,403	6.2	3,469	17.1	3,890
Dependency status						
Dependent	0.5	2,884	0.9	3,188	11.9	3,051
Independent	8.4	3,245	18.6	3,488	33.6	3,868
Dependent student income						
Lowest quartile	0.8	—	1.4	—	7.2	3,324
Second quartile	0.3	—	1.5	—	7.3	2,565
Third quartile	0.8	—	1.1	—	13.7	2,859
Highest quartile	0.3	—	0.4	—	16.7	3,236
Independent student income						
Lowest quartile	6.4	3,212	16.4	3,120	37.6	3,597
Second quartile	9.4	3,159	22.7	3,735	31.9	3,673
Third quartile	12.0	—	16.5	3,792	28.3	4,114
Highest quartile	8.9	—	22.3	3,683	33.6	4,630
Tuition and fees						
Less than $4,000	2.5	—	5.1	—	4.9	—
$4,000–7,999	2.6	3,078	6.0	3,409	24.6	3,203
$8,000–11,999	1.3	3,189	6.0	3,579	20.7	3,399
$12,000–15,999	1.2	—	3.1	3,232	16.7	3,369
$16,000 or more	0.4	—	1.4	—	8.8	3,318

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.7—Percentage of undergraduates with subsidized Stafford loans and percentage of undergraduates with any Stafford Loans or Supplemental Loans to Students (SLS) who borrowed the maximum annual amounts in 1989–90, 1992–93, and 1995–96: Private, not-for-profit 4-year institutions

	Percentage who borrowed maximum subsidized amount			Percentage who borrowed maximum total amount		
	1989–90	1992–93	1995–96	1989–90	1992–93	1995–96
Total	42.5	58.8	60.6	29.9	45.2	56.6
Undergraduate class level						
1st year/freshman	50.0	70.0	75.3	42.0	61.0	73.2
2nd year/sophomore	49.6	67.6	63.2	37.8	53.9	62.7
3rd year/junior	31.4	44.4	45.6	19.4	31.8	45.2
4th or 5th year senior	37.9	53.7	56.5	20.3	36.2	45.0
Dependency status						
Dependent	40.5	58.6	62.5	40.4	58.5	69.8
Independent	47.7	59.1	55.5	4.2	16.3	19.5
Dependent student income						
Lowest quartile	40.8	57.0	60.6	40.7	57.0	64.0
Second quartile	42.5	59.2	68.6	42.5	59.1	70.7
Third quartile	39.0	62.1	62.1	38.8	62.1	71.1
Highest quartile	38.9	57.2	54.4	38.3	57.0	73.7
Independent student income						
Lowest quartile	46.5	57.4	61.8	3.7	12.4	20.1
Second quartile	50.4	64.3	56.2	4.7	22.2	20.5
Third quartile	45.5	54.2	53.5	4.4	15.6	17.4
Highest quartile	48.2	61.6	40.4	4.1	18.9	19.8
Attendance pattern						
Full-time/full-year	44.1	62.5	66.4	33.5	51.0	64.7
Full-time/part-year	32.1	42.3	34.4	19.9	30.4	29.9
Part-time/full-year	43.4	57.4	53.2	14.4	32.1	34.0
Part-time/part-year	21.0	44.5	23.7	4.7	27.9	13.5
Tuition and fees						
Less than $4,000	34.5	46.3	33.1	16.1	25.9	16.9
$4,000–7,999	45.1	55.4	48.9	28.3	34.4	38.0
$8,000–11,999	44.8	66.5	68.1	36.9	56.0	62.0
$12,000–15,999	40.9	63.4	69.1	36.1	55.9	72.4
$16,000 or more	33.2	58.7	66.6	30.3	52.6	68.6

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.8—Percentage of all undergraduates in 1989–90, 1992–93, and 1995–96 who had ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	39.1	$5,270	41.8	$6,225	52.1	$8,472
Undergraduate class level						
1st year/freshman	28.5	2,672	35.5	2,981	48.0	3,677
2nd year/sophomore	40.6	4,273	39.5	4,700	51.0	6,610
3rd year/junior	43.7	5,792	45.7	6,307	56.3	9,803
4th or 5th year senior	47.2	7,551	46.7	9,013	55.2	13,086
Dependency status						
Dependent	40.5	4,833	42.6	5,419	54.4	7,352
Independent	36.8	6,195	40.6	7,537	47.9	10,794
Dependent student income						
Lowest quartile	51.1	4,811	63.1	5,279	63.7	7,591
Second quartile	55.0	5,032	63.8	5,675	67.5	7,539
Third quartile	45.9	4,756	45.9	5,339	57.7	7,469
Highest quartile	20.7	4,687	24.9	5,335	36.9	6,701
Independent student income						
Lowest quartile	51.9	6,710	59.9	7,846	63.6	11,897
Second quartile	44.9	6,264	47.4	7,813	52.4	11,258
Third quartile	33.5	5,965	35.2	7,040	49.1	10,629
Highest quartile	21.9	5,414	24.1	7,080	33.3	9,043
Attendance pattern						
Full-time/full-year	45.2	5,237	46.8	6,146	59.2	8,212
Full-time/part-year	39.8	5,564	47.3	5,674	48.7	8,655
Part-time/full-year	26.4	5,815	32.5	6,565	42.5	9,585
Part-time/part-year	20.5	5,022	30.2	6,863	33.0	8,871
Tuition and fees						
Less than $4,000	26.7	4,871	31.4	5,860	34.7	7,462
$4,000–7,999	48.3	5,451	50.0	6,509	61.0	9,283
$8,000–11,999	44.8	5,295	50.9	6,606	61.4	9,246
$12,000–15,999	41.1	5,326	43.0	6,041	63.6	8,385
$16,000 or more	40.4	5,567	41.8	5,708	50.0	8,055

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 3.9—Percentage of 4th and 5th year seniors in 1989–90, 1992–93, and 1995–96 who had ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: Private, not-for-profit 4-year institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	47.2	$7,551	46.7	$9,013	55.2	$13,086
Dependency status						
Dependent	48.8	7,403	46.3	8,362	52.9	12,785
Independent	45.3	7,755	47.2	9,734	58.0	13,436
Dependent student income						
Lowest quartile	63.7	7,305	76.2	8,670	67.2	12,745
Second quartile	68.1	8,134	69.2	8,840	69.3	13,300
Third quartile	54.9	7,461	49.5	8,619	54.2	13,062
Highest quartile	26.8	6,586	28.8	7,593	32.3	11,779
Independent student income						
Lowest quartile	59.3	8,522	69.7	10,190	69.0	15,051
Second quartile	54.9	8,107	54.0	10,488	64.0	14,621
Third quartile	42.7	7,271	44.7	9,032	64.5	12,479
Highest quartile	27.5	6,249	27.6	8,684	41.0	11,205
Attendance pattern						
Full-time/full-year	53.9	7,898	51.7	9,178	59.0	13,559
Full-time/part-year	42.7	7,981	51.9	8,882	52.4	14,082
Part-time/full-year	33.2	7,301	38.4	8,739	50.7	11,779
Part-time/part-year	30.9	5,850	37.4	8,738	47.1	11,560
Tuition and fees						
Less than $4,000	35.3	6,440	36.7	7,707	43.4	9,829
$4,000–7,999	57.5	7,785	57.5	9,232	65.3	14,024
$8,000–11,999	52.0	8,055	53.2	9,923	64.4	14,627
$12,000–15,999	48.0	7,793	47.6	9,186	61.3	13,566
$16,000 or more	47.3	8,697	43.3	8,912	47.1	13,860

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.1—Percentage of all undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 2-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	4.4	$2,086	5.8	$2,587	5.9	$2,869
Undergraduate class level						
1st year/freshman	3.8	2,050	4.1	2,305	5.1	2,534
2nd year/sophomore	5.6	2,066	7.3	2,472	8.1	3,279
Dependency status						
Dependent	3.6	1,652	5.4	2,308	6.0	2,234
Independent	4.8	2,247	6.0	2,732	5.8	3,268
Dependent student income						
Lowest quartile	7.0	1,676	11.5	2,465	6.2	2,199
Second quartile	3.5	—	4.9	2,021	6.9	2,293
Third quartile	2.7	—	2.9	—	7.4	2,152
Highest quartile	0.7	—	1.5	—	2.6	—
Independent student income						
Lowest quartile	11.6	2,199	15.4	2,583	10.1	3,248
Second quartile	5.3	2,378	6.5	2,850	8.6	3,441
Third quartile	3.4	2,287	4.4	2,795	4.0	3,122
Highest quartile	2.0	—	1.7	—	1.9	—
Attendance pattern						
Full-time/full-year	9.3	2,117	10.4	2,421	14.7	3,047
Full-time/part-year	5.4	1,708	10.7	2,036	4.9	2,173
Part-time/full-year	2.1	2,111	4.6	2,616	7.2	2,983
Part-time/part-year	1.1	—	4.0	3,008	1.3	2,322
Tuition and fees						
Less than $500	2.2	2,240	3.7	2,791	1.6	2,481
$500–999	7.8	2,026	7.3	2,321	7.6	2,690
$1,000–1,499	13.2	2,094	10.3	2,503	14.9	3,179
$1,500–1,999	13.3	—	13.2	2,458	19.6	2,461
$2,000 or more	14.1	—	14.6	2,569	21.0	3,370

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.2—Percentage of all undergraduates who received federal subsidized Stafford loans, and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 2-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	4.3	$1,943	5.7	$2,217	4.9	$2,219
Undergraduate class level						
1st year/freshman	3.7	1,921	4.0	1,978	4.2	2,064
2nd year/sophomore	5.5	1,966	7.3	2,117	6.8	2,440
Dependency status						
Dependent	3.5	1,608	5.3	2,144	4.1	1,927
Independent	4.7	2,068	5.8	2,256	5.4	2,352
Dependent student income						
Lowest quartile	7.0	1,595	11.5	2,225	5.6	2,106
Second quartile	3.1	—	4.9	1,921	6.1	1,924
Third quartile	2.7	—	2.9	—	3.0	—
Highest quartile	0.7	—	1.5	—	0.5	—
Independent student income						
Lowest quartile	11.5	2,107	15.3	2,237	9.7	2,462
Second quartile	5.1	2,005	6.3	2,282	8.4	2,329
Third quartile	3.2	2,114	4.1	2,296	3.6	2,185
Highest quartile	1.8	—	1.6	—	1.4	—
Attendance pattern						
Full-time/full-year	8.8	1,978	10.1	2,107	12.1	2,312
Full-time/part-year	5.3	1,699	10.5	1,854	4.4	1,809
Part-time/full-year	2.0	2,111	4.5	2,112	6.0	2,306
Part-time/part-year	1.0	—	4.0	2,607	1.1	1,887
Tuition and fees						
Less than $500	2.2	1,963	3.7	2,432	1.3	1,883
$500–999	7.6	1,925	7.2	2,022	6.5	2,113
$1,000–1,499	12.3	2,070	9.9	2,091	12.5	2,327
$1,500–1,999	13.2	—	12.9	2,094	15.7	2,277
$2,000 or more	14.1	—	14.2	2,072	17.3	2,463

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.3—Percentage of all undergraduates who received federal unsubsidized Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 2-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	0.4	$2,365	0.8	$3,123	2.5	$2,421
Undergraduate class level						
1st year/freshman	0.4	—	0.6	3,071	1.9	2,273
2nd year/sophomore	0.4	—	0.8	—	3.9	2,541
Dependency status						
Dependent	0.2	—	0.3	—	2.9	1,940
Independent	0.5	—	1.0	3,119	2.2	2,801
Dependent student income						
Lowest quartile	0.4	—	0.8	—	1.5	—
Second quartile	0.3	—	0.1	—	2.4	—
Third quartile	0	—	0	—	5.2	2,058
Highest quartile	0	—	0.3	—	2.2	—
Independent student income						
Lowest quartile	1.0	—	1.9	—	3.4	—
Second quartile	0.8	—	1.3	—	3.6	—
Third quartile	0.4	—	0.9	—	1.5	—
Highest quartile	0.1	—	0.4	—	0.9	—
Attendance pattern						
Full-time/full-year	0.9	—	1.2	—	6.4	2,637
Full-time/part-year	0.2	—	1.0	—	1.9	—
Part-time/full-year	0.2	—	0.8	—	3.0	2,501
Part-time/part-year	0.1	—	0.5	—	0.5	—
Tuition and fees						
Less than $500	0.3	—	0.4	—	0.5	—
$500–999	0.7	—	0.9	—	2.9	2,311
$1,000–1,499	1.2	—	1.6	—	7.5	2,435
$1,500–1,999	1.0	—	1.6	—	7.6	—
$2,000 or more	0	—	2.6	—	10.1	—

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.4—Percentage of full-time, full-year undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96: Public 2-year institutions

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
			Any Stafford or SLS loans			
Total	9.3	$2,117	10.4	$2,421	14.7	$3,047
Undergraduate class level						
1st year/freshman	7.4	2,141	8.5	2,446	14.5	2,674
2nd year/sophomore	13.0	2,103	13.1	2,340	15.8	3,358
Dependency status						
Dependent	4.6	1,448	4.9	1,780	11.1	2,333
Independent	17.2	2,418	18.8	2,676	21.8	3,749
			Subsidized Stafford or SLS loans			
Total	8.8	1,978	10.1	2,107	12.1	2,312
Undergraduate class level						
1st year/freshman	7.1	1,969	7.9	2,102	12.5	2,222
2nd year/sophomore	12.2	1,992	13.1	2,093	12.0	2,441
Dependency status						
Dependent	4.3	1,428	4.9	1,780	7.8	1,959
Independent	16.4	2,220	18.0	2,243	20.4	2,571
			Unsubsidized Stafford or SLS loans			
Total	0.9	2,546	1.2	3,276	6.4	2,637
Undergraduate class level						
1st year/freshman	0.7	—	1.3	—	4.6	—
2nd year/sophomore	1.3	—	1.0	—	8.4	—
Dependency status						
Dependent	0.3	—	0	—	4.9	—
Independent	1.9	—	3.1	—	9.4	—

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.5—Percentage of undergraduates with subsidized Stafford loans and percentage of undergraduates with any Stafford Loans or Supplemental Loans to Students (SLS) who borrowed the maximum annual amounts in 1989–90, 1992–93, and 1995–96: Public 2-year institutions

	Percentage who borrowed maximum subsidized amount			Percentage who borrowed maximum total amount		
	1989–90	1992–93	1995–96	1989–90	1992–93	1995–96
Total	34.6	41.6	41.4	7.2	16.5	22.5
Undergraduate class level						
1st year/freshman	36.8	39.7	51.8	9.0	15.9	29.5
2nd year/sophomore	34.1	50.7	31.2	5.6	17.0	15.3
Dependency status						
Dependent	24.5	38.1	30.3	23.8	37.9	39.4
Independent	38.4	43.4	46.4	1.0	5.4	11.8
Dependent student income						
Lowest quartile	17.9	41.5	32.0	17.9	41.5	30.3
Second quartile	—	23.9	34.0	—	23.9	43.3
Third quartile	—	—	—	—	—	34.8
Highest quartile	—	—	—	—	—	—
Independent student income						
Lowest quartile	39.3	42.1	51.3	0	3.1	12.3
Second quartile	35.5	42.3	48.8	2.0	7.3	13.7
Third quartile	43.8	48.7	33.9	2.5	5.5	8.6
Highest quartile	—	—	—	—	—	—
Attendance pattern						
Full-time/full-year	35.6	38.5	45.3	4.7	9.7	29.6
Full-time/part-year	30.5	31.9	23.1	9.0	8.4	7.8
Part-time/full-year	39.4	37.0	44.3	0.3	9.8	20.9
Part-time/part-year	—	53.6	30.3	—	33.8	12.9
Tuition and fees						
Less than $500	35.6	48.5	30.2	12.3	24.5	8.2
$500–999	33.5	36.8	38.3	3.6	9.1	19.8
$1,000–1,499	40.2	37.5	47.4	0	5.4	30.1
$1,500–1,999	—	33.4	34.0	—	16.7	12.1
$2,000 or more	—	40.9	49.5	—	20.5	34.4

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

Table 4.6—Percentage of all undergraduates in 1989–90, 1992–93, and 1995–96 who ever received federal Stafford Loans or Supplemental Loans to Students (SLS), and the average cumulative amount borrowed: Public 2-year institutions

	1989–90		1992–93		1995–96	
	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount	Percent who ever borrowed	Average cumulative amount
Total	11.7	$3,359	15.5	$3,849	18.7	$4,692
Undergraduate class level						
1st year/freshman	9.8	3,045	13.2	3,307	16.4	4,173
2nd year/sophomore	14.8	3,482	18.1	3,607	23.9	5,172
Dependency status						
Dependent	8.4	3,054	10.6	3,388	12.4	3,407
Independent	13.4	3,453	18.4	4,002	22.5	5,119
Dependent student income						
Lowest quartile	14.3	3,059	18.7	3,346	14.4	3,077
Second quartile	8.8	2,747	10.0	3,377	12.7	3,353
Third quartile	5.6	—	8.5	3,836	12.3	3,756
Highest quartile	3.6	—	3.4	—	9.6	3,521
Independent student income						
Lowest quartile	24.4	3,315	29.5	3,862	26.0	5,052
Second quartile	15.1	3,463	22.5	4,080	25.4	5,336
Third quartile	11.1	3,604	17.5	4,107	23.0	5,263
Highest quartile	7.8	3,479	9.6	3,898	16.9	4,691
Attendance pattern						
Full-time/full-year	13.8	3,177	16.9	3,527	22.1	4,021
Full-time/part-year	14.3	3,183	20.4	3,061	18.4	3,662
Part-time/full-year	8.7	3,200	13.6	3,727	18.8	5,186
Part-time/part-year	9.4	3,606	15.7	4,269	17.7	4,964
Tuition and fees						
Less than $500	9.5	3,495	14.3	4,036	15.9	4,812
$500–999	15.4	3,331	16.7	3,462	20.0	4,516
$1,000–1,499	20.7	3,131	17.5	3,531	24.8	4,856
$1,500–1,999	20.6	2,763	18.7	3,717	28.6	3,502
$2,000 or more	17.7	—	24.5	3,825	30.3	5,156

—Too few cases for a reliable estimate.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Appendix B—Glossary

This glossary describes the variables used in this report. The items were taken directly from the NCES NPSAS: 90, 93, and 96 undergraduate Data Analysis System (DAS), an NCES software application that generates tables from the NPSAS:90, 93, and 96 data (see appendix B for a description of the DAS). The glossary is in alphabetical order by the variable label in the DAS, shown in bold, capital letters and displayed along the right-hand column.

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Institutional and Student Characteristics

Type of institution
- NPSAS:90 ..... AIDSECT
- NPSAS:93 ..... AIDSECT
- NPSAS:96 ..... AIDSECT

Undergraduate class level
- NPSAS:90 ..... LOANLVL2
- NPSAS:93 ..... LOANLVL2
- NPSAS:96 ..... UGLEVEL2

Dependency status
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- NPSAS:93 ..... DEPEND
- NPSAS:96 ..... DEPEND

Dependent student income
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- NPSAS:93 ..... PCTDEP
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Independent student income
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Attendance pattern
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Stafford/SLS Loan Variables

Stafford/SLS total loans
- NPSAS:90 ..... SLS_STR
- NPSAS:93 ..... SLS_STR
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Subsidized Stafford loans
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- NPSAS:93 ..... STAFFR
- NPSAS:96 ..... STAFSUB

Unsubsidized Stafford and SLS loans
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- NPSAS:93 ..... SLSR
- NPSAS:96 ..... STAFUNSB

Borrowed maximum subsidized loan amount
- NPSAS:90 ..... STFCAT1R
- NPSAS:93 ..... STFCAT1R
- NPSAS:96 ..... STAFFCT1

Borrowed maximum total Stafford/SLS loan amount
- NPSAS:90 ..... STFCAT2R
- NPSAS:93 ..... STFCAT2R
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Cumulative Stafford/SLS loan amount
- NPSAS:90 ..... STCUM89A
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Stafford/SLS loan combination
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- NPSAS:96 ..... STAFTYPE

Grants
- NPSAS:90 ..... TOTGRTR
- NPSAS:93 ..... TOTGRTR
- NPSAS:96 ..... TOTGRT

Type of institution

AIDSECT (*NPSAS:90*)
AIDSECT (*NPSAS:93*)
AIDSECT (*NPSAS:96*)

Indicates the level and control of the sampled NPSAS institution. Institution level concerns the institution's highest offering. Control concerns the source of revenue and control of operations. Four-year institutions offer bachelor's or higher degrees, while 2-year institutions offer associate's or lower degrees. The private, for-profit institutions are primarily less-than-4 year, although a small percentage of students in bachelor's degree programs are included. Public less-than-2-year and private, not-for-profit less-than-4-year are either aggregated as "other" or not shown in the tables, although they are included in the totals. Students attending more than one institution during the year (about 5 percent) are excluded from the type of institution category, but are included in the totals.

Public, 4-year
Private, not-for-profit 4-year
Public, 2-year
Private, for-profit

Attendance pattern

ATTNST8A (*NPSAS:90*)
ATTNST8A (*NPSAS:93*)
ATTNSTAT (*NPSAS:96*)

Students were considered to have been enrolled for a full year if they were enrolled for 8 or more months during the NPSAS survey year. Months did not have to be contiguous or at the same institution, and students did not have to be enrolled for a full month in order to be considered enrolled for that month.

Full-time, full-year	Students were enrolled at least 8 months full time during survey year. Additional months enrolled could be part time.
Full-time, part-year	Students were enrolled less than 8 months during the survey year and attending full time in all of these months.
Part-time, full-year	Students were enrolled 8 or more months during the survey year but less than 8 months were full time.
Part-time, part-year	Students were enrolled less than 8 months during the survey year and some of these months were part time.

Dependency status

DEPEND (*NPSAS:90*)
DEPEND (*NPSAS:93*)
DEPEND (*NPSAS:96*)

Dependent
Independent

Undergraduates are assumed to be dependent unless they meet one of the criteria for independent status. These criteria were different from 1987–1993 and from 1993–1998. In 1989–90 and 1992–93 the criteria for independent undergraduate student status were the following:

1. Student was 24 or older on December 31 of the current academic year.
2. Student was married, and not claimed by parents on current year tax returns.
3. Student had legal dependents other than a spouse.
4. Student was a veteran.

5. Student was an orphan or ward of the court.
6. Student was a single undergraduate, not claimed as a dependent by parents on either the current or the prior year tax returns, and was self sufficient for two years prior to receiving any federal aid.

In 1995–96 undergraduates were considered to be independent if they met one of the following criteria.

1. Student was age 24 or older on December 31, 1995;
2. Student was married;
3. Student had legal dependents other than a spouse;
4. Student was a veteran; or
5. Student was an orphan or ward of the court;

In addition, financial aid officers may designate students who do not meet these criteria to be independent, if the students can document that they are in fact self-supporting.

Undergraduate class level

LOANLVL2 ***(NPSAS:90)***
LOANLVL2 ***(NPSAS:93)***
UGLEVEL2 ***(NPSAS:96)***

Highest class level of student during the NPSAS year, based on the NPSAS survey class level and the class levels reported in NSLDS for federal student loans received that year.

1st year/freshman
2nd year/sophomore
3rd year/junior
4th or 5th year/senior

Dependent student income

PCTDEP ***(NPSAS:90)***
PCTDEP ***(NPSAS:93)***
PCTDEP ***(NPSAS:96)***

Percentile rank of family income of dependent student parents, based on all dependent students in the NPSAS survey year. The annual income is for the calendar year prior to the NPSAS survey year, as reported on the financial aid application or estimated by students and parents in the telephone interview. Approximately one-fourth of the values are imputed. It is not clear why the threshold value for the lowest quartile was higher in 1991 than in 1994.

Lowest quartile	Dependent student parent's annual income is less than $22,400 in 1988, less than $27,000 in 1991, or less than $24,000 in 1994.
Second quartile	Dependent student parent's annual income is $22,400 to $37,800 in 1988, $27,000 to $45,000 in 1991, or $24,000 to $46,500 in 1994.
Third quartile	Dependent student parent's annual income is $37,800 to $58,500 in 1988, $45,000 to $60,000 in 1991, or $46,500 to $70,000 in 1994.
Highest quartile	Dependent student parent's annual income is over $58,500 in 1988, over $60,000 in 1991, or over $70,000 in 1994.

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Independent student income

PCTINDEP (*NPSAS:90*)
PCTINDEP (*NPSAS:93*)
PCTINDEP (*NPSAS:96*)

Percentile rank of independent student's annual income, including the income of a spouse, based on all independent students in the NPSAS survey year. The annual income is for the prior calendar year, as reported on the financial aid application or in the survey of students. Approximately one-fourth of the values are imputed.

Lowest quartile	Student annual income is less than $7,000 in 1988, less than $10,000 in 1991, or less than $8,300 in 1994.
Second quartile	Student annual income is $7,000 to $15,800 in 1988, $10,000 to $21,000 in 1991, or $8,300 to $18,800 in 1994.
Third quartile	Student annual income is $15,800 to $28,700 in 1988, $21,000 to $35,500 in 1991, or $18,800 to $35,000 in 1994.
Highest quartile	Student annual income is over $28,700 in 1988, over $35,500 in 1991, or over $35,000 in 1994.

Unsubsidized Stafford and SLS loans

SLSR (*NPSAS:90*)
SLSR (*NPSAS:93*)
STAFUNSB (*NPSAS:96*)

The unsubsidized SLS loan amount received in 1989–90 or 1992–93 or the unsubsidized Stafford loan amount received in 1995–96. The SLS program was phased out in 1993–94. An unsubsidized loan is not awarded on the basis of need. If a student qualifies for an unsubsidized loan, he or she is charged interest from the time the loan is disbursed until it is paid in full. Students can choose to pay the interest or allow it to accumulate. If the student allows the interest to accumulate, it will be capitalized (added to the principal amount of the loan). The NPSAS:90 and NPSAS:93 amounts were revised in August 1998 to incorporate additional information from NSLDS.

Stafford/SLS total loans

SLS_STR (*NPSAS:90*)
SLS_STR (*NPSAS:93*)
STAFFAMT (*NPSAS:96*)

The total Stafford/SLS loan amount received for the academic year, including either a subsidized Stafford or an unsubsidized Stafford or SLS, or a combination of both. The NPSAS:90 and NPSAS:93 amounts were revised in August 1998 to incorporate additional information from NSLDS.

Subsidized Stafford loans

STAFFR (*NPSAS:90*)
STAFFR (*NPSAS:93*)
STAFSUB (*NPSAS:96*)

The subsidized Stafford loan amount received for the academic year. A subsidized loan is awarded on the basis of financial need. If a student qualifies for a subsidized loan, the federal government pays the interest on the loan until the student begins repayment, and during authorized periods of deferment thereafter. The NPSAS:90 and NPSAS:93 amounts were revised in August 1998 to incorporate additional information from NSLDS.

Stafford/SLS loan combination

STAFTYPR ***(NPSAS:90)***
STAFTYPR ***(NPSAS:93)***
STAFTYPE ***(NPSAS:96)***

Indicates whether a student received only a subsidized Stafford loan, only an unsubsidized Stafford or SLS loan, or both types of loan for the academic year.

Subsidized only
Both
Unsubsidized only

Cumulative Stafford/SLS loan amount

STCUM89A ***(NPSAS:90)***
STCUM92A ***(NPSAS:93)***
STCUM95A ***(NPSAS:96)***

Cumulative amount of Stafford and SLS loans borrowed in all prior years for undergraduate education through June 1990, June 1993, or June 1996. This is a composite variable based primarily on the cumulative Stafford/SLS loan amounts calculated from all Stafford or SLS loans reported in NSLDS for all prior academic periods. It does not reflect what was still owed. Values were imputed or adjusted to reconcile with loans reported by institutions which were not matched in NSLDS records (approximately 15 percent in NPSAS:90 and NPSAS:93 and 6 percent in NPSAS:96).

Borrowed maximum subsidized loan amount

STFCT1R ***(NPSAS:90)***
STFCT1R ***(NPSAS:93)***
STAFFCT1 ***(NPSAS:96)***

Indicates whether the student borrowed the maximum amount allowable in Stafford (subsidized) loans. In 1989–90 and 1992–93, first and second year students could borrow up to $2,625 and upper level undergraduates could borrow up to $4,000. In 1995–96 the subsidized maximum for first-year students was $2,625; for second-year students, $3,500; for third-, fourth-, and fifth-year students, $5,500. The subsidized Stafford loan limits were the same for dependent and independent undergraduates.

None
Less than maximum
Maximum

Borrowed maximum total Stafford/SLS loan amount

STFCAT2R ***(NPSAS:90)***
STFCAT2R ***(NPSAS:93)***
STAFCT2R ***(NPSAS:96)***

Indicates whether maximum Stafford (subsidized) and SLS (unsubsidized) loan combined amount was borrowed. In 1989–90 and 1992–93 dependent students were eligible for SLS loans only under unusual circumstances. Independent students were eligible for SLS loans of up to $4,000 at all class levels (in addition to the subsidized Stafford amount). Independent first and second year students could borrow up to $6,625 and upper level undergraduates could borrow up to $8,000 by combining subsidized Stafford and unsubsidized SLS loans. In 1995–96 both dependent and independent undergraduates could combine subsidized and unsubsidized Stafford loans up to the following annual limits:

Student class level:	Dependent:	Independent:
First year	$2,625	$6,625
Second year	$3,500	$7,500
Third–fifth year	$5,500	$10,500

None
Less than maximum
Maximum

Grants

TOTGRTR ***(NPSAS:90)***
TOTGRTR ***(NPSAS:93)***
TOTGRT ***(NPSAS:96)***

Total amount of grant and scholarship aid received from any source for the NPSAS year. Totals for NPSAS:90 were revised in October 1998 to correct overstated institutional totals and NPSAS:93 amounts were revised in August 1997 to add underreported employer aid amounts.

Tuition and fees

TUITCST2 ***(NPSAS:90)***
TUITION2 ***(NPSAS:93)***
TUITION2 ***(NPSAS:96)***

Indicates the amount of tuition charged the student for the terms attended at the NPSAS institution, as reported by the institution. If tuition amounts were not reported, they were estimated based on the average per credit or per term charges for other students at the institution according to their class level, degree program, and attendance status. Students attending more than one institution during the year are excluded, since their tuition at the second institution is unknown.

Appendix C—Technical Notes and Methodology

The National Postsecondary Student Aid Study (NPSAS)

The National Postsecondary Student Aid Study (NPSAS) is a comprehensive nationwide study conducted by the Department of Education's National Center for Education Statistics (NCES) to determine how students and their families pay for postsecondary education.[32] It also describes demographic and other characteristics of students enrolled. The study is based on a nationally representative sample of all students in postsecondary education institutions, including undergraduate, graduate, and first-professional students. Students attending all types and levels of institutions are represented in the sample, including public and private institutions and less-than-2-year institutions, 2-year institutions, and 4-year colleges and universities. The study is designed to address the policy questions resulting from the rapid growth of financial aid programs, and the succession of changes in financial aid program policies since 1986. The first NPSAS study was conducted in 1986–87, and then again in 1989–90, in 1992–93 and in 1995–96. This report analyzed data from the last three administrations of the NPSAS survey (NPSAS:90, NPSAS:93 and NPSAS:96) which were supplemented by the federal student loan data made available through the National Student Loan Data System (NSLDS).

Accuracy of Estimates

The statistics in this report are estimates derived from a sample. Two broad categories of error occur in such estimates: sampling and nonsampling errors. Sampling errors occur because observations are made only on samples of students, not entire populations. Nonsampling errors occur not only in sample surveys but also in complete censuses of entire populations. Nonsampling errors can be attributed to a number of sources: inability to obtain complete information about all students in all institutions in the sample (some students or institutions refused to participate, or students participated but answered only certain items); ambiguous definitions; differences in interpreting questions; inability or unwillingness to give correct information; mistakes in recording or coding data; and other errors of collecting, processing, sampling, and imputing missing data.

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[32]For more information on the NPSAS survey, consult U.S. Department of Education, National Center for Education Statistics, *Methodology Report for the 1995–96 National Postsecondary Student Aid Study* (NCES 98-073) (Washington, D.C.: 1997).

Data Analysis System

Unless otherwise noted, the estimates presented in this report were produced using the NPSAS:90/93/96 Data Analysis Systems (DAS). The DAS software makes it possible for users to specify and generate their own tables from the NPSAS data. With the DAS, users can replicate or expand upon the tables presented in this report. In addition to the table estimates, the DAS calculates proper standard errors[33] and weighted sample sizes for these estimates. For example, table C1 contains standard errors that correspond to supplemental table 1.1, and it was generated by the DAS. If the number of valid cases is too small to produce a reliable estimate (less than 30 cases), the DAS prints the message "low-N" instead of the estimate.

In addition to tables, the DAS will also produce a correlation matrix of selected variables to be used for linear regression models. Included in the output with the correlation matrix are the design effects (DEFT) for each variable in the matrix. Since statistical procedures generally compute regression coefficients based on simple random sample assumptions, the standard errors must be adjusted with the design effects to take into account the NPSAS stratified sampling method.

For more information about the NPSAS and other Data Analysis Systems, consult the NCES DAS website (www.nces.ed.gov/das) or its West Coast mirror site (www.pedar-das.org), or contact:

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[33]The NPSAS samples are not simple random samples, and therefore, simple random sample techniques for estimating sampling error cannot be applied to these data. The DAS takes into account the complexity of the sampling procedures and calculates standard errors appropriate for such samples. The method for computing sampling errors used by the DAS involves approximating the estimator by the linear terms of a Taylor series expansion. The procedure is typically referred to as the Taylor series method.

Table C1—Standard errors for table 1.1: Percentage of all undergraduates who received any federal Stafford Loans or Supplemental Loans to Students (SLS), and the average amount borrowed in 1989–90, 1992–93, and 1995–96

	1989–90		1992–93		1995–96	
	Percent	Average amount	Percent	Average amount	Percent	Average amount
Total	0.62	$30.3	0.57	$37.3	0.55	$37.0
Type of institution						
Public 4-year	0.85	31.1	0.70	31.8	0.80	44.3
Private, not-for-profit 4-year	1.13	32.3	1.37	41.8	1.49	68.9
Public 2-year	0.43	71.4	0.49	78.2	0.59	149.6
Private, for profit	2.57	70.2	3.42	109.6	3.14	138.5
Undergraduate class level						
1st year/freshman	0.95	52.7	0.72	70.1	0.66	55.6
2nd year/sophomore	0.66	35.0	0.72	39.4	0.89	55.9
3rd year/junior	0.83	46.8	0.90	51.2	1.12	68.5
4th or 5th year senior	0.80	42.3	0.70	40.4	0.94	56.6
Dependency status						
Dependent	0.63	23.3	0.62	33.3	0.66	25.2
Independent	0.86	43.4	0.67	55.3	0.65	74.5
Dependent student income						
Lowest quartile	1.13	34.1	1.29	47.5	1.23	46.9
Second quartile	0.95	32.0	1.00	41.9	1.25	44.7
Third quartile	0.86	39.2	0.78	49.7	1.04	44.2
Highest quartile	0.46	55.8	0.56	47.0	0.75	41.4
Independent student income						
Lowest quartile	1.46	57.0	1.31	60.2	1.26	95.8
Second quartile	1.26	53.7	0.90	83.6	1.12	105.7
Third quartile	0.78	68.1	0.67	85.2	0.83	124.2
Highest quartile	0.55	85.5	0.51	123.2	0.61	146.4
Attendance pattern						
Full-time/full-year	0.67	25.8	0.75	38.1	0.81	37.8
Full-time/part-year	1.21	69.1	1.18	63.5	1.20	84.0
Part-time/full-year	0.43	66.5	0.55	83.1	0.77	95.3
Part-time/part-year	0.41	93.4	0.43	85.1	0.32	116.1
Tuition and fees*						
Less than $1,000	0.34	61.9	0.35	72.5	0.33	139.6
$1,000–1,999	0.88	39.6	0.83	43.4	0.98	85.7
$2,000–3,999	1.71	50.3	0.94	42.1	1.14	64.1
$4,000–7,999	1.75	49.8	2.10	65.3	1.45	67.2
$8,000 or more	1.92	59.7	1.24	64.6	1.18	59.5

*Tuition amounts include out-of-state students who are usually charged higher tuition.

SOURCE: U.S. Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study, 1989–90 (NPSAS:90), 1992–93 (NPSAS:93), 1995–96 (NPSAS:96), Undergraduate Data Analysis Systems.

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Statistical Procedures

Differences Between Means

The descriptive comparisons were tested in this report using Student's *t* statistic. Differences between estimates are tested against the probability of a Type I error,[34] or significance level. The significance levels were determined by calculating the Student's *t* values for the differences between each pair of means or proportions and comparing these with published tables of significance levels for two-tailed hypothesis testing.

Student's *t* values may be computed to test the difference between estimates with the following formula:

$$t = \frac{E_1 - E_2}{\sqrt{se_1^1 + se_2^2}} \tag{1}$$

where E_1 and E_2 are the estimates to be compared and se_1 and se_2 are their corresponding standard errors. This formula is valid only for independent estimates. When estimates are not independent, a covariance term must be added to the formula:

$$\frac{E_1 - E_2}{\sqrt{se_1^2 + se_2^2 - 2(r)se_1\ se_2}} \tag{2}$$

where *r* is the correlation between the two estimates.[35] This formula is used when comparing two percentages from a distribution that adds to 100. If the comparison is between the mean of a subgroup and the mean of the total group, the following formula is used:

$$\frac{E_{sub} - E_{tot}}{\sqrt{se_{sub}^2 + se_{tot}^2 - 2p\ \ se_{sub}^2}} \tag{3}$$

where *p* is the proportion of the total group contained in the subgroup.[36] The estimates, standard errors, and correlations can all be obtained from the DAS.

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[34]A Type I error occurs when one concludes that a difference observed in a sample reflects a true difference in the population from which the sample was drawn, when no such difference is present.

[35]U.S. Department of Education, National Center for Education Statistics, *A Note from the Chief Statistician*, no. 2, 1993.

[36]Ibid.

There are hazards in reporting statistical tests for each comparison. First, comparisons based on large *t* statistics may appear to merit special attention. This can be misleading since the magnitude of the *t* statistic is related not only to the observed differences in means or percentages but also to the number of students in the specific categories used for comparison. Hence, a small difference compared across a large number of students would produce a large *t* statistic.

A second hazard in reporting statistical tests for each comparison occurs when making multiple comparisons among categories of an independent variable. For example, when making paired comparisons among different levels of income, the probability of a Type I error for these comparisons taken as a group is larger than the probability for a single comparison. When more than one difference between groups of related characteristics or "families" are tested for statistical significance, one must apply a standard that assures a level of significance for all of those comparisons taken together.

Comparisons were made in this report only when $p \leq .05/k$ for a particular pairwise comparison, where that comparison was one of k tests within a family. This guarantees both that the individual comparison would have $p \leq .05$ and that for k comparisons within a family of possible comparisons, the significance level for all the comparisons will sum to $p \leq .05$.[37]

For example, in a comparison of the percentages of males and females who enrolled in postsecondary education, only one comparison is possible (males versus females). In this family, $k=1$, and the comparison can be evaluated without adjusting the significance level. When students are divided into five racial–ethnic groups and all possible comparisons are made, then $k=10$ and the significance level of each test must be $p \leq .05/10$, or $p \leq .005$. The formula for calculating family size (k) is as follows:

$$k = \frac{j(j-1)}{2} \tag{4}$$

where j is the number of categories for the variable being tested. In the case of race–ethnicity, there are five racial–ethnic groups (American Indian/Alaskan Native; Asian/Pacific Islander; black, non-Hispanic; Hispanic; and white, non-Hispanic), so substituting 5 for j in equation 2,

$$k = \frac{5(5-1)}{2} = 10$$

[37]The standard that $p \leq .05/k$ for each comparison is more stringent than the criterion that the significance level of the comparisons should sum to $p \leq .05$. For tables showing the *t* statistic required to ensure that $p \leq .05/k$ for a particular family size and degrees of freedom, see Olive Jean Dunn, "Multiple Comparisons Among Means," *Journal of the American Statistical Association* 56 (1961): 52–64.

Differences Between Two Pairs of Means

Some descriptive comparisons in this report were tested using the Student's t statistic for two pairs of estimates, in which the significance of the difference between two pairs of estimates was determined (e.g., the change in borrowing rates over two different time periods). Statistical significance was determined by calculating t values for differences between two pairs of means or proportions and comparing these with published values of t for two-tailed hypothesis testing, using a 5 percent probability of a Type I error (a significance level of .05).

Student's t values may be computed to test the difference between two pairs of estimates with the following formula:

$$t = \frac{(E_2 - E_1) - (E_4 - E_3)}{\sqrt{\left(\sqrt{se_2^2 + se_1^2}\right)^2 + \left(\sqrt{se_4^2 + se_3^2}\right)^2}} \qquad (5)$$

where $E_2 - E_1$ and $E_4 - E_3$ are the two pairs of estimates to be compared and se_1 and se_2, se_3 and se_4 are their corresponding standard errors. Note that this formula is valid only for independent estimates.

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